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Editorial AS WE SEE IT

Last week we had something to say about the rather anomalous boasts of Mr. Khrushchev. The Communist boss of the world (or so he would like to have it, anyway) had a number of equally inaccurate, not to say foolish, things to say about what he prefers to call the "imperialists" or the "bourgeoisie." It would appear a work of supererogation to refute many of the wild assertions that flowed from the lips of the Kremlin leader, but it may not be amiss to make sure that some of the apparently more plausible allegations do not mislead the unthinking or the ill-informed. According to this document all the world outside of the Communist orbit is "decadent" and almost without a redeeming feature. Its author (or authors) take special delight in belittling the United States of America, which although admittedly the most powerful nation in the world today is none the less "past its zenith," and like so many others hardly able to keep production increases in pace with population growth.

It is interesting, therefore, to list a few of the actual achievements of this country to keep company with the boast of Mr. Khrushchev about future developments in Communist Russia—or perhaps better said, place some hard facts of the past before our own eyes in order that we may not become overimpressed with the Communist dream of a new heaven and a new world. It is common practice to take changes in what is known as Gross National Product (GNP) as a measure of a nation's performance, and it is rather too common (at least in some political circles) to measure "growth" between two points in time by the changes in this figure. We have often called attention to fallacies which underlie such procedures.

But since Mr. Khrushchev has chosen to measure Russian hoped for achievements in some such manner, and since in any event 1960 was not an exceptional year, it is worthwhile to see how we have actually fared over the past half century — how great the point-to-point change has been and how we have *(Continued on page 29)*

How Leading Authorities View Outlook for the Railroad Industry

In articles especially written for THE CHRONICLE, individuals intimately identified with the nation's carriers present their views as to the economic prospects for specific roads and the industry as a whole. Participants in this symposium, a regular annual feature of THE CHRONICLE, include the Chairman of the I. C. C. and the chief executives of a representative cross-section of the nation's railroads and supplying companies.

The statements begin herewith—

HON. EVERETT HUTCHINSON

Chairman, Interstate Commerce Commission
Washington, D. C.

For the year 1960, the reports of 77 railroads indicated profitable over-all operations and those of 27 roads showed losses; the aggregate net income was $445 million. Present conditions indicate a general improvement in railroad traffic and earnings during the latter part of 1961 and in 1962. The relatively low level of economic activity in the first quarter of 1961 was reflected in an over-all railroad deficit for the first two months. Although some net income was earned in March, April was disappointing; and it was not until May that rail net income began what appears to be an upward trend.

Everett Hutchinson

Industrial production is increasing. Various forecasts estimate that the Gross National Product may reach, or perhaps exceed, an annual rate of $540 billion by the summer of 1962. This increase of some 8% above the first quarter of 1961 undoubtedly would be accompanied by improvement in rail ton-mileage and revenues. Carloadings for the first quarter of 1961 were the lowest in the recent 1960-1961 decline. This year's second quarter showed some gain over the first, but did not reach the level of the corresponding period of 1960. For the third quarter 1961, the Regional Shippers Advisory Boards have forecast an increase of 2% in freight car requirements for the 32 principal commodities covered as compared with actual loadings in the third quarter of 1960.

Increased government expenditures, including those for defense, may be expected not only to add directly to the volume of rail freight traffic, but also to accelerate the increase in business activity characteristic of the recovery phase of the business cycle. Capital expenditures in industry, and in the railroad field particularly, will probably average out in 1961 at a lower level than in 1960 and some other recent years. The prospect for improved railroad earnings for 1962 may encourage larger outlays for modernization of equipment as a means of strengthening the rail competitive position and to offset accumulated obsolescence.

In appraising the railroad outlook, it must not be assumed that general economic trends affect all modes of transportation similarly. Railroads, having a relatively greater proportion of fixed costs because of heavy investment in physical plant, are more seriously affected in respect to profits by changes in volume of traffic than other modes. The fact should also be kept in mind that while the railroads' share of the total market has steadily declined in the postwar period, in 1959 they performed 72% more freight ton-miles than in 1939, and 94.5% as many passenger miles.

Railroad management has embarked on a vigorous campaign to regain traffic lost to other carriers. The growth of piggyback and related services may have the possibility of increasing their competitive effectiveness by improving service to shippers and lowering costs. The Interstate Commerce Commission has encouraged appropriate actions by the railroads to increase their traffic volume through sound and equi- *(Continued on page 18)*

RAILROAD INDUSTRY FEATURED IN THIS ISSUE

The Security I Like Best . . .

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

MAURICE S. BENJAMIN
Partner, Benjamin, Hill & Co., New York City
Members New York Stock Exchange

North American Aviation

In economic history the great fortunes were made by investors who judged correctly the nature of the times—for example: the development of the railroads, the discovery of oil, the invention of the automobile. Currently we are entering the time of technology — the scientific age. From the extension of the life span to the exploration of space, new industries have been born which through research and development contribute the formulas, materials, instruments, chemicals and power for the advancement of these times. The descriptive names that are becoming familiar are atomic energy, electronics, plastics, drugs, rare earths, exotic fuels, cryogenics, fuel cells, computers, water desalting, rockets, missiles and space.

M. S. Benjamin

In looking for an established scientific company which is a leader in almost all the fields mentioned above, the paths converge on NORTH AMERICAN AVIATION COMPANY. Therefore, the stock of this company, which is listed on the New York Stock Exchange, is my favorite stock for investment.

The keys to the secrets of the above branches of the Tree of Science have been found, but in some instances the practical and economic solutions are still in progress. The growth potentials in every case are nothing short of fabulous. For instance, in the next five years the space industry's advance will be about 1,000%—from $1 billion to close to $10 billion. The greatest emphasis will be placed on *thrust*. Only in this department is the United States behind the Soviets. But by this fall the world may witness the first firing of Saturn. Even the first Saturn will be capable of hurling 25,000 pounds into orbit—nearly twice that accomplished by the Russians. Work is actively under way on a 1.5 million-pound thrust Saturn engine. Further ahead (1963-1965) is the Nova rocket to propel space vehicles to the moon with a thrust of 12 million pounds and the capability of putting 190 tons into orbit—power equal to that of more than 1,000,000 automobiles.

The Rocketdyne division of NORTH AMERICAN AVIATION is responsible for nearly all the successful high-thrust launchings of missiles and satellites by the United States. The Saturn and Nova are the company's projects for the near term future.

The more mature scientific areas contributing to the current operations are missiles, aircraft, electronics, computers and exotic fuels.

The company's sales are well over $1 billion.

In my opinion, NORTH AMERICAN AVIATION is the strongest company in the technological field (25% of the 78,600 employees are engineers, technicians and supporting personnel) and the soundest financially.

NORTH AMERICAN AVIATION'S capital consists of 8 million shares of common stock, preceded by neither bonds nor preferred stock.

Earnings have averaged nearly $4.00 over the past five years. Prospects are for $5.00 within a year or two and should be considerably higher in the future.

The dividend is $2.00, to yield about 4%.

Book value is about $30.00.

Range of stock this year—High —56¾, Low—41⅝, Last—53⅝.

NORTH AMERICAN AVIATION stock is an unusually high-quality growth situation which I recommend as a sound investment with exciting potentials for capital appreciation. The company's achievements will be truly world-shaking.

CHARLES KING
Partner, Charles King & Co., New York City
Members: American Stock Exchange, Toronto Stock Exchange, and Montreal Stock Exchange

Greyhound Lines of Canada, Ltd.

For the conservative investor, I believe Greyhound Lines of Canada, Ltd. offers an attractive vehicle to share in the growth and development of Canada. The company and its subsidiaries, conduct all of the Greyhound bus operations in Canada except for a few short routes connecting the U. S. system with Canadian lines. Through subsidiaries, the company also manufactures and sells motor buses and bus parts, and to a lesser extent pole line hardware, aluminum windows and door frames. A 10-story office and bus terminal is owned in Calgary, Alberta.

Charles King

Its operations are primarily long distance routes covering 8,096 miles in Ontario, British Columbia, Alberta, Saskatchewan and Manitoba. Through connections with the Greyhound U. S., the Canadian company provides a transportation system from Toronto to Vancouver via the United States through Detroit, Chicago and St. Paul. Its equipment consists of an operating fleet of approximately 170 modern buses plus others leased from Greyhound U. S. Terminals are owned and operated at 12 Canadian cities. Other terminals are operated by lessees or provided on a commission basis. Garages are owned and operated at strategic points. Basic fares are generally .03¢ per mile on short trips and .028¢ per mile on long distance travel.

As of Dec. 31, 1960, funded debt consisted of $2,645,500 5½% debentures due March 15, 1978 convertible at $11.50 per common share on or before March 15, 1963 and thereafter at $13.50 per share to March 15, 1968. Outstanding capital was 929,815 shares of common, of which 720,000 shares were held by The Greyhound Corp., Chicago. In addition, 240,913 shares of the authorized amount were reserved for conversion of the debentures. A public offering of 180,000 shares was made in Canada at $10 per share in March 1958.

Net earnings for the year 1960 were $1,266,672 as against $1,118,625 in 1959—a rise of 13.2%, equal to $1.36 in 1960, an all-time high versus $1.21 per share in 1959. These compare with average earnings over the five years ending 1960 of $1.28 per share. At the current price of 16 (Toronto Stock Exchange) the stock is selling at a conservative 11.76 times earnings. The present annual dividend rate is 75¢ per share, yielding 4.69%. The stock has ranged between a low of 10⅛ in 1958 to a high of 17⅞ in 1961.

Current assets totaled $6,357,901 at the end of 1960 of which $4,295,421 were cash and investments. Current liabilities amounted to $2,099,351 giving the company a current ratio of better than three to one—a nice, healthy position. Operating revenues in 1960 were $11.2 million, up 3.7% from 1959 and compared to $7.3 million in 1955, an increase of 54.8% for the five years. The largest increase occurred in 1958 when revenues rose $2.4 million to $11.2 million an annual figure that has remained fairly steady since.

However, I cannot help but feel that the company's future operations may rise sharply from this plateau. In 1960 its wholly-owned Motor Coach Industries Ltd., Winnipeg, introduced a new model bus and, according to Pres. R. L. Borden, an increased share of the bus market is expected. Further, Greyhound's "Scenic Cruiser Service" trips offering air conditioning and fully equipped restrooms on non-stop buses, over fast thruways at low fares, have become very popular and could very well cause operations to become much more dynamic. The Canadian company is blessed with the experience and capable management of its parent company working together with its own board on which are men of outstanding business reputations, well known in Canadian public life.

Greyhound of Canada is one of the few United States-controlled companies operating in Canada in which the investing public can become co-owners, thus following the policy that if widespread public ownership is good for business at home, it should also be good for its subsidiaries operating abroad.

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)

This Week's Forum Participants and Their Selections

With B. J. Van Ingen

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Robert A. O'Leary has been added to the staff of B. J. Van Ingen & Co., Inc., 141 Milk Street. He was formerly with Stone & Webster Securities Corp.

Joins Edw. D. Jones

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo.—Leland F. Manna has joined the staff of Edward D. Jones & Co., 300 North Fourth St., members of the New York Stock Exchange. Mr. Manna was formerly with A. G. Edwards & Sons.

Joins Powell, Kistler

(Special to THE FINANCIAL CHRONICLE)

KINSTON, N. C.—David B. Moye has become associated with Powell, Kistler & Co., 130 East Gordon Street. Mr. Moye was formerly associated with First Securities Corporation of Durham.

Productivity—Challenge to The American Economy

By Dr. Peter F. Drucker,* *Professor of Management, Graduate School of Business Administration, New York University, New York City*

Nationally known management expert offers a diagnosis of and prescribes for the "baffling phenomenon" of past fifteen years' lagging productivity in the face of largest capital spending boom in our history and a wholesale shift from manual to knowledge workers. He blames: (1) management for concentrating on engineers' concept of progress to the exclusion of the economists' concept; (2) failure of our tax system to accord to capital equipment dollar what we do to the maintenance dollar; and (3) two myths we entertain about labor costs. We can raise the productivity of our non-farm sector of the economy, he makes clear, if we practice what we preached successfully to others.

All of us have heard about our international balance of payments problem; the recession and the suspicion that there is a substantial amount of chronic unemployment in it, and the concern as to our growth rate as an economy. Each of these are very big and very important problems. But I submit that they are essentially symptoms of one underlying, much more serious, much more important phenomenon; namely, that productivity in the non-farm sector of the economy, which means in 90% of it, during the last 10 years has essentially not increased in this country, or increased very little.

Peter F. Drucker

This is partly concealed by the fact that the farm sector has done so spectacularly well in increasing productivity; apparently too well for its own good. It is concealed by the fact that when we talk of productivity, we look usually at a few manufacturing industries in which productivity increases seem still to be made, but only if we measure productivity physically, as so many things turned out per hour. If we measure it economically, as to what the consumer gets for the effort put in, we would find that there has been little improvement. Actually, manufacturing is, today, not the largest single segment; services are. In the service areas, the performance has been a very curious one.

The largest productivity increases in our economy are probably in the financial areas, banking and insurance, which contrary to the popular legend of their being stodgy and conservative, have shown amazing agility the last 15 years.

And the poorest performance, bar none in the world, is that of our seaborne transportation, where we pay many times what we used to pay 30 years ago to get half the stuff loaded.

But the overall picture has not been a good one. This is the bottom of our various problems. We can doctor the symptoms, and probably do a good job with each of them. But we are only going to be confronted by troubles breaking out elsewhere, unless we come to grips with the structural productivity problems.

No Productivity From Our Capital Spending Boom

To an economist, this lagging productivity in the last 15 years is a very baffling phenomenon. He has both learned—and teaches—that increased productivity is the result of four factors: capital investment, technological innovation, upgrading of the labor force, and management.

We have had the largest capital investment boom in our history; we have multiplied our expenses for technological innovation many, many times; we have undergone in the last 15 years a wholesale shift of the work force from manual labor to knowledge workers. Yet our productivity has not shown the results. This means that the first suspect in the productivity story is therefore management. One therefore has to start out with the question, "Are there things one can see in our management that might explain why these other factors haven't brought us the harvest we would have expected from them?"

Blames Management

There are. If we look at our management in general, we see first, that for reasons which are perfectly understandable we have been physically rather than economically oriented in our management. First, there was the war, where it didn't matter what things cost as long as we got them out. Then there was one of the very great re-equipment booms in history, particularly abroad, where we were the only economy not destroyed, not damaged even, so that again the accent was on getting this stuff rolling. And we have come to identify productivity with the engineers' concept of progress, which is faster, more complex, more powerful, and more rigid, rather than with the economists' concept which is that productivity is more flexible and more valuable. We need both in balance. But we haven't been in balance. We have gone all the way over on the engineering side of getting it out faster and in larger quantities and with greater rigidity. We have poured enormous amounts of money into mechanization which economically

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The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
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Food Price Index
Auto Production
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Commodity Price Index

The President's speech of July 25 and his request for a sharp step-up in military and civil defense spending have injected a major new element into the business outlook, the Federal Reserve Bank of New York notes in its August *Monthly Review*. The proposed $3.5 billion increase in the defense budget will undoubtedly be a strong expansionary influence.

It is still difficult to determine, however, to what extent the new proposals will speed the return to full utilization of the economy's resources or at what point it might, together with the recovery forces already under way, begin to exert a definite upward pressure on prices. The measures now contemplated will probably be rather quickly translated into actual expenditures, since they center heavily on expansion of military manpower and increases in the output of conventional types of armaments. With capacity still ample, deliveries prompt, and prices relatively stable, the demands arising from the added spending need not by themselves cause a marked revision in business inventory policies or a marked expansion of facilities. The full effect of the new appropriations will depend also on their over-all impact on business and consumer expectations.

At present, evidence is accumulating that the recovery of the economy in the second quarter was even stronger than had been generally assumed and that gains continue to be widely diffused. At the same time, there was some slackening in the rate of advance in June and probably July, on top of the usual seasonal influences. Moreover, a substantial gap still remains between total demands and available resources. While the shift from inventory liquidation in the first quarter to net accumulation in the second quarter has been substantial, much of it appears to have reflected developments in the automotive sector. There are no indications of any abrupt changes in inventory policies generally.

A second article, "Bank Credit in Recession and Recovery," notes that the rise in bank credit in 1960-61 has helped to encourage a turnaround in the economy, but the path of bank credit advance has been different from either of the two preceding recessions. The growth of credit over the full 13 months since May 1960 has been less pronounced than in 1957-58, although much greater than in 1953-54.

The rise in bank loans in the recession and early months of recovery in 1960-61 was more rapid than in either of the preceding occasions, and loans played a much larger role in the expansion of total credit than in the earlier cycles. Loans accounted, in fact, for more than a third of the total growth, whereas earlier they had represented less than a sixth.

The relatively strong performance of bank loans in 1960-61 has mainly reflected strength in business loans. Bank loans to business — commercial and industrial loans—usually fall during recessions, but in the recession months of 1960 they rose moderately, after allowance for seasonal influences. In part, this strength stemmed from the relative mildness of the downturn. In addition, business liquidity was lower than in earlier periods, and this may have held down the volume of loan repayments. It is also possible that a larger backlog of unsatisfied demands was carried over from the previous period of restraint.

The relatively high loan-deposit ratios of banks do not seem to have prevented them from meeting most of the normal loan demand since the April business upturn. But bank holdings of government securities did not rise as much as in previous recessions, and they have been unable to recover as much liquidity as on those earlier occasions. With gathering strength in the economy in the months ahead, banks will be more dependent than in earlier recessions on the injection of additional reserves to meet growing loan demands.

Bank Clearings for Aug. 12 Week Show a 8.4% Increase Over A Year Ago

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by us based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Aug. 12, clearings for all cities of the United States for which it is possible to obtain weekly clearings was 8.4% above those of the corresponding week last year. Our preliminary totals stand at $26,754,823,993 against $24,689,767,654 for the same week in 1960. Our comparative summary of the leading money centers for week ended Aug. 12 follows (000's omitted):

	1961	1960	%
New York	$14,453,280	$12,811,116	+12.8
Chicago	1,172,855	1,280,257	— 8.4
Phila.	1,035,000	1,020,000	+ 1.5
Boston	727,488	704,035	+ 3.3

Confusion in Steel Market Due to Cautious Steel Buying

Cautious steel buying by automakers is confusing the steel market the *Iron Age* reports.

Automakers, slowly being backed up against the Aug. 31 labor contract expiration, are not coming in with strong orders for September, or even October. In the past week, there have been setbacks of some tonnages from August into September and, more puzzling, from September into October.

With new models starting to roll this week, auto companies will be eating into their stocks of steel. All except Ford and Chevrolet will be in production this week and these two leaders will be turning out 1962 models shortly after.

The automotive buying pattern is added onto other areas of business where steel buying is running behind production. This means that steel is now being consumed at a faster rate than it is being produced.

Automotive delays in ordering steel for 1962 production do not mean a weakening of the steel market. If anything, they strengthen the outlook for the fourth quarter.

When automakers and others do come into the market for full tonnage orders, delivery times will lengthen out and a sharp upturn in steel production will result, the *Iron Age* says.

Outside of automotive and a few other exceptions, a good flow of orders is coming into most mills. August is definitely a better month than July. September orders, for the first time, are coming in at a rate that has pushed September ahead of August for a comparable period. If the late month pattern continues, September will show a fair pickup in steel production.

Many in industry are watching the auto labor negotiations closely and are buying cautiously for fear a strike will bring this important part of the economy to a near halt. On the other hand, many manufacturers are concerned about the low levels of their steel stocks; they know that, strike or not, auto companies will eventually be in the market for heavy tonnages and immediate delivery of many steel products will be a thing of the past.

More Steel Made Last Week Than Since the First of July

Steel makers made more metal last week than they did since the week ended July 1, *Steel* magazine reported.

Ingot production was estimated at 1,890,000 tons, a gain of more than 2% above the previous week's total.

The industry is moderately encouraged by the way business has held up the last six weeks — a period when vacations and model changeovers reduced steel consumption and orders for tin plate fell short of expectations.

In the weeks ahead, barring a strike in the automotive industry, the makers of steel expect demand to accelerate. Higher auto production will give the uptrend most of its impetus. The automakers are tentatively planning to build 500,000 cars in September (vs. 180,000 this month). But other factors will contribute:

(1) Construction activity will be on a post-vacation upswing.

(2) Tin plate shipments should increase as canners pack bumper crops of peas and tomatoes.

(3) Appliance and furniture manufactures will be ordering steel for their new lines.

(4) There's a possibility that

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OBSERVATIONS . . .

BY A. WILFRED MAY

A SKELETON IN THE BACK SEAT

In this space on August 3, by way of authoritatively confirming the fact that the Stock Option defenders basically assume close correlation between a company's profits and the market pricing of its stock, we cited Senator Curtis' quotation of Mr. Henry Ford's statement at his company's 1960 annual meeting ". . . With stock options, your management is rewarded in direct proportion to the company's profitability." This widely embraced illusion, as also spelled out by Mr. Ford in an article "Stock Options are in the Public Interest" in the current *HARVARD BUSINESS REVIEW*, is, ironically, demolished by the actual long-term record of his very own company's stock market and earnings performance.

The fundamental abuse with which we are concerned is in no wise eliminated by exceptionally restrictive provisions self-imposed by the company in its so-called 1955 and 1960 Plans. (Initiated in connection with the company's "going public," and departing from the comparative laxity having previously existed; no option may be exercised prior to a two-year interval following the date of the grant; and thereafter, with minor exceptions, each option may be exercised only in annual instalments over the next eight years.)

Options were first granted in 1953, before the company's "public debut"; and thereafter, in its more restricted form, in 1956 (twice, in January and November), 1958, 1959, 1960, and on February 8, 1961. On the last mentioned date, options were granted for 198,000 shares at 67¼ per share. 515,000 shares now remain available for such further issuance.)

Long-Term Results

Let us trace some of the specific post - option granting results. Agreeing that conclusions based on short-term market volatility would be unfair to option proponents, we shall cite the record extending all the way to the present, from the date of the option grant.

The Ford executive holding an option from the time of the first public stock offering in January, 1956 to the present would be rewarded in reverse relation to the profits record—following the divergent stock market—corporate profits course. Typically, the option-ees were handsomely rewarded entirely for beating-the-market, not for solving managerial earnings problems.

The Ford options granted for 368,000 shares at the "going public" time on Jan. 18, 1956, followed the 1955 earnings of $8.19 and were priced at $66. Now, despite the drop in earnings, to $7.80 for 1960 and an estimated $7.60 for 1961, the option-ee has been rewarded with a profit of $30 per share, a 46% appreciation.

Again, the officials, who on Sept. 8, 1959 were given options at $61.75, have during a 12% *earnings decline*, enjoyed a $34 per share, or 50% *profit*, as the result of the stock market's drastically altered capitalization of his company's earnings.

Option Life at G M

Of course, the Ford Co. has no industry monopoly on such obtuse optioning results. General Motors, under whose Plan the options are not exercisable for 18 months after issuance, on March 18, 1958 granted options at $35.25 per share. The company was about to report its 1957 earnings of $2.99 per share. Director C. G. Stradella exercised in full his option for 4,104 shares on Sept. 8, 1959 when the market price was 54¼ or 55% over his cost. During that option-held period, the earnings, the basic measure of incentive results, were increased by a bare 2%.

During 1960 GM officials exercised their options for 28,087 more of the shares granted in 1958 with the $35.25 price.

The mean stock market price of 1960, the "cashing-in" year, was 48 versus the optionees' cost of 35¼, providing them with an average profit of 36% (or if extended to the year's high of 55⅞, achieved early in January, a 72% appreciation). In this interval the corporate earnings lagged along with a mere 7% increase; and were still 125% below their 1955 peak.

As of Jan. 1, 1961, there were still 282,592 shares of GM subject to this $35.25 option, in the context of a sharply higher market price versus the sagged earnings.

Such divergent course of market price from earnings has characterized the entire motor industry (wherein option plans are pervasive) as shown by Standard & Poor's Index of Auto Industry Stocks. In 1957 the average industry profit was $4.07 per share, and the market price just over 40. Now, the earnings have *declined* to $3.65 for the latest 12 months but the stock market price has *risen* to 64, an increase of 60%.

The annual record since the Index's initiation, of the Industry's average earnings-per-share and their capitalization by the stock market, evidencing both profit volatility and the profits-market divergence, is shown in the following table.

Year	Earnings	Mkt. Price
1957	$4.07	41
1958	2.55	61
1959	4.11	70
1960	4.46	51
1961*	3.65	62

*Latest 12 months earnings and present price.

Valiant Option Achievements at Chrysler

Apart from the many controversial implications of the management brawling at the other member of the Big Three, its clear significance to the Option question is surely indisputable.

Under a restricted Plan initiated in 1952, and since amended, the Chrysler Corporation has now

outstanding options to 84 officers and employees to purchase a total of 297,026 shares. They were granted Sept. 11, 1958, Jan. 8, 1959 and Dec. 3, 1959.

The grants made on the two earlier dates, comprising 98% of all the shares now under option, constituted the *contract juggle* via chasing the stock's market decline with option price reduction. (". . . because of the level of the market price, these [outstanding] options had tended to lose their incentive value to the employee and their usefulness as a means of retaining desirable personnel," was management's explanation).

Included among those getting this changed deal in 1958 and 1959 were Mr. L. L. Colbert, *then* president and Mr. W. C. Newberg, *then* executive vice-president.

The result: The option - incentived officials were—with the aid of the "resetting" finagle — successful in resolving their option-remunerating troubles; even if not those of company management.

(P. S. The successfully managed American Telephone and Telegraph Company has no stock option privilege. Furthermore, the "de - incentived" officers are barred from the Employees' Stock Plan.)

The Timing Factor

Whatever the technique or motive employed in setting the option price, remarkably good speculative market "judgment" has been shown.

The $35.25 price set for the General Motors option-ees in 1958, proved to be barely above that year's minimum of 33¾ (the year's high was 52), and the 5½ year low (and 58⅞ high) of 33⅛ extending to the present.

Similar market prescience was manifested in the granting of the 229,254 GM shares optioned in 1959, at $45.44 per share—again within a fraction of that year's low.

Likewise fortunate was the timing of the Ford recent option grant, namely, 189,500 shares at 67¼ on February 18 last. This compares with the year's low of 63, and the currently-arrived-at high of 96. While we imply no quick-profit significance to this immediately following market uprush, we submit that, together with the above-cited GM record, it does highlight the importance of the *timing* of the option-giving. It appears that particularly in the case of cyclical companies, the optioning managements have been most helpful in the market-playing phases. This further underlines the divergence from the corporate results of the incentive-provision.

We should also remember that management's reward via the option technique may result, in addition to cyclical forces, from the economy's dollar inflation affecting sales and earnings, along with market psychology—**all having nothing to do with management achievement for which the "incentive" is being supplied by the optioning process.**

Van Strum, Towne Elects Deans V.-P.

Robert B. Deans, Jr., has been elected to the position of Executive Vice-President, Van Strum & Towne, Inc., investment counsel subsidiary of Channing Corporation, New York City. Announcement was made Aug. 11 by Samuel R. Campbell, President.

Robert B. Deans, Jr.

Mr. Deans is also Secretary and a Director of the parent organization. Prior to joining Channing Corporation, he was with Lehman Brothers and the Chase Manhattan Bank and has had extensive experience in foreign and domestic investment banking and securities analysis.

Sellgren, Miller Now Corporation

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif. — Sellgren, Miller & Co., Inc. has been formed to continue the investment business of Sellgren, Miller & Co. and the firm's main office has been removed to 130 Montgomery Street. Officers are David M. Sellgren, president; Robert K. Miller, vice-president and treasurer, and Edward T. Butler, secretary. Mr. Sellgren and Mr. Miller were partners in the predecessor firm.

Bruno-Lenchner Appoints Four

PITTSBURGH, Pa. — The investment firm of Bruno - Lenchner, Inc., Bigelow Bldg., has appointed Nore DiNardo, Paul Schwartz, John H. Sroka and Walter W. Brown as accountant executives.

Three With Sellgren, Miller

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Richard M. Black, Arthur L. Claude and Eugene Forrest have joined the staff of Sellgren, Miller & Co., Inc., 369 South Spring Street. Mr. Black was previously with Marache & Co., Mr. Claude was with Crowell, Weedon & Co., and Mr. Forrest was with Morris Cohon & Co.

D. A. Bruce Forms Own Co.

D. A. Bruce & Co., Inc., has been formed with offices at 11 Broadway, New York City, to engage in a securities business. Officers are Duncan A. Bruce, President and Treasurer; and E. H. Bruce, Secretary. Mr. Bruce was formerly a partner in Whitmore, Bruce & Co.

Is Railroading Illegal?

By J. Handly Wright,* *Vice-President, Association of American Railroads*

Highly-placed railroad official charges Federal Government with "reverse myopia" in supplying millions of dollars to aid foreign carriers, while sabotaging our own. Observing our rails must operate under shocking complex of paradoxes, Mr. Wright avers "It isn't exactly illegal yet to run a railroad, but sometimes you'd think it was when you see the mountainous restrictions placed on the old iron horse." Maintains carriers' economic revival would gigantically boost our national economy, including creation of 400,000 new jobs. Cites the industry's "Magna Carta" program of "Four Freedoms": —freedom from discriminatory regulation, from discriminatory taxation, from subsidized competition, and freedom to diversify.

While the American railroad industry may have grievous afflictions, I hope to demonstrate in my remarks that any reports of our demise are somewhat exaggerated.

J. Handly Wright

The American railroads, operating as private enterprise, would have been buried a long time ago if the industry hadn't been vocal and hadn't fought with great vitality and persistence against almost insurmountable competitive odds foisted on them by government.

My message is not a particularly cheerful one. But it is one close to the welfare of our nation and of direct importance to all of us. I am sure most people must be heartily sick of hearing about the "railroad problem." I can assure them we in the railroad industry are heartily sick of talking about it too. But the truth is, this problem is not just a railroad problem but a public problem in every sense of the word. Talk—or absence of talk—won't make it go away. Like most any other problem, it takes action to cure it and that is what I would like most to discuss. If the picture I paint is a stark one, it is because the problem is stark. So let's take a look at the sober realities of the railroad problem which is really America's problem.

New Haven's Bankruptcy

Even in the face of the alarming new symptom of the railroad industry's declining financial posture reflected by the recent bankruptcy of the New Haven, the industry's will to live is strong and its constitution is hearty. It does not seek miracle drugs to solve its ills. Application of the simple remedy of fair and open competitive equality with other carriers is the only medicine needed to return the nation's vital railroad industry to robust, economic health and improved capability to tailor service to the country's peace and defense needs.

It doesn't take long for anyone who examines the railroads' problems to conclude that no industry in the country has been forced to operate for so long in such a shocking complex of paradoxes. The railroads are regulated like a monopoly, expected to perform like a public service, taxed like free enterprise (and taxed not fairly, but at highly discriminatory rates), and penalized by government favoritism to other carriers. It isn't exactly illegal yet to run a railroad, but sometimes you'd think it was when you see the mountainous restrictions placed on the old iron horse.

Nor does it take long for an objective observer to conclude that the maintenance of a strong system of railroads is just as much a public problem as it is an industry problem. No one can deny the essentiality to the nation of a low-cost, heavy-duty, long-haul, all-weather, defense-ready network of rails for mass-movement of people and commodities. If railroads didn't exist, someone would have to invent them!

No More "Studies" Needed

Hundreds of pounds of official government studies made during the past 20 years have stressed the essentiality of railroads to our economy and recommended action to give the railroads competitive equality. Those studies gather dust. When public pressure mounts for realistic action on these problems, still another transportation study becomes a safe refuge from forthright decision and action. The trouble is that all this brain power isn't backed by any will power and obsolete railroad regulations remain on the Federal books.

In a situation so inextricably woven into the economic structure and productive ability of our nation, no one really enjoys the taunt of an "I told you so" when unheeded warnings produce the feared consequences. Last March 30, in an attempt to stem the worsening railroad situation, American railroads united in a solemn public warning that the railroad industry was "in jeopardy to the detriment of the national interest."

Within a scant four months after the railroads pled for action, the New Haven Railroad gave up the burden and plunged into bankruptcy. This road serves one of the most strategically important and heavily populated centers in the nation.

Another fortnight later, the nation was asked to step-up defense mobilization to confront the Berlin crisis. Railroads, the transportation workhorse of war, had long warned that their reserve capacity was seriously depressed by the consequences of long-overdue legislative relief of government-caused inequities. The industry faces the present emergency with 48% fewer passenger-carrying cars than during the Korean War, and 51% less than Pearl Harbor.

Cold Statistical Record

The basic reason for this shrunken reserve capacity is revealed in the cold facts of profit and loss. In the first five months of 1961, 38 of the nation's 107 Class I railroads failed to earn enough to cover fixed charges. Of these, 21 were in the Eastern region. But nine in the South and eight in the West also operated in the red during the first five months of this year. Through May, railroads in the East showed a net income **deficit** of $77 million, as compared to net **earnings** of $54 million in the corresponding period in 1960. That illustrates, as perhaps nothing else can, the dangerous and rapidly worsening situation which confronts our railroads today.

Discrimination in taxation is one of the heaviest and most unjust loads the railroads have to bear and a main target in the industry's fight to get its head above water. A study made last year by the Association of American Railroads showed that discriminatory tax assessment policies cost the railroads $141 million in excess taxes in 31 states during 1957 alone. This was entirely because railroad property was assessed at a higher percentage of value than other property bearing the same tax rates. In 17 of the 31 states, the railroad assessment percentage was approximately double the assessment percentage on other property, and in the other states it was even higher.

Among transportation authorities and government officials there is recognition of the discrimination and even gathering support for Federal legislation outlawing state tax discrimination against railroads. A special Study Group for the Senate Commerce Committee went so far as to recommend that all common carrier rights-of-way be exempt from property taxes. This course, though a drastic one, is possibly the only eventual way of equalizing the tax status of railroads alongside their competitors operating on property-tax-free highways, airways and waterways. Admittedly, such equalization would pose problems of alternate financial support for schools and other community facilities that are heavily dependent on railroad taxes.

Examples of Tax Inequities

Unfairly based railroad tax levies are compounded by tax discrimination inherent in the government's subsidies to other forms of transportation. One of the most glaring inequities exists within a stone's throw of the Nation's Capital. The railroads built and paid for Union Station in Washington at a cost of $32 million. hTeir 1960 property tax on it was $397,380—

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the largest single tax assessment in the District of Columbia.

Across the Potomac, Washington National Airport was built by the Federal Government at a cost of $32 million of public funds. This airport, like virtually every other airport in the country, is tax free. More tax money is being used to build Dulles International Airport in Virginia. The originally estimated cost of $85 million has been upped to $175 million. This new facility also will be tax-supported and, of course, free of taxes.

A railroad spokesman summed up this fantastic situation when he told a Senate committee the railroads would like to donate Union Station to the government and use it on the same basis that the airlines use National Airport. His offer produced knowing smiles, but no takers.

Let me cite one other set of facts that capsule the absurdity of tax-built, tax-free airports for commercial use. The Federal Government spent $4 million for a 1,700-acre airport at Cut Bank, Montana, population 4,500. The land was taken off the tax rolls and property owners assessed a special annual tax for support of the airport. Only one carrier uses the airport, Western Airlines, and only two passengers a day boarded its planes there in 1958. That same year the Great Northern Railway, which runs through Cut Bank, paid $2,530 as its share of the airport tax; the same year Western Airlines paid only $41.17. Ridiculous? Of course. But the absurdity is multiplied across the country.

Competitors' Tax-Free Facilities

One may rightly wonder just how much longer the railroads can co-exist alongside other forms of transportation whose basis facilities are so heavily subsidized by the government. Well, the railroads sometimes wonder, too. Another $12.5 billion in Federal, state and local funds is being spent this year for domestic highways, waterway developments and airport facilities. This will raise the government's total outlays for transportation facilities to $178 billion. And the end is not in sight.

The public still has to foot a $30 billion bill to pay for completion of the $41 billion Interstate Highway System. The Corps of Engineers contemplates a $7.9 billion waterway improvement program over the next 20 years. The Federal Aviation Agency has asked Congress for $1.1 billion for a five-year program to construct 465 new airports and to improve 2,834 existing airports.

Now let me emphasize at this point, lest there be any misunderstanding, that the railroads have no quarrel with modern airports, highways and waterways. Our question is over the use of those publicly provided facilities for private profit by commercial enterprises with whom we have to compete. As the only form of general transportation in the country which builds, maintains and pays taxes on its own right-of-way, we find it pretty difficult to compete against other forms of transportation which pay nothing, or virtually nothing, for their rights-of-way. We feel that a system of user charges to reimburse the public treasury for commercial use of publicly built facilities is long over-due and is the fair answer to the problem.

Inadequate Depreciation Regulations

Just a few weeks ago, the railroads made an extraordinary appeal to Congress for action before Congress recesses this fall on two other tax problems. The railroads urged repeal of the 10% transportation tax and more adequate depreciation allowances, both measures that would offer some financial relief to hard pressed railroads rather quickly. Airlines may recover their investment in new airplanes in as little as five years; buses can be written off in seven years; truck equipment in six to eight years. In sad contrast, invested capital in freight cars is written off in an average of 28 years, and railroad buildings and structures up to 100 years. Is it any wonder, then, that railroads are forced to use equipment beyond obsolescence and that reserve capacity is shrinking?

Another major area of discrimination embraced in the railroad industry's appeal for a fair deal is over-regulation born of another year. All railroad rates on commercial freight are strictly regulated, while two-thirds of intercity trucking and 90% of barge tonnage are generally free of regulation. To survive, railroads must be allowed to price their service low enough to get business, yet high enough to make money. They ask either for extension to them or repeal of regulatory exemptions enjoyed by truckers, and by barge operators.

In this tense period when the nation's plant, its resources and manpower may be tested to the utmost, can we afford **not** to let fair competition put the transportation industry on sound economic footing? Isn't it time that responsible authorities got their heads out of the sand and faced up to the nation's transportation mess in the light of reason, forthrightly and decisively?

Need for Action

Well, there isn't any use in continuing the long lugubrious tale of bias and discrimination. The question is what can be done about it.

On March 20 of this year, the railroads issued a call for a sweeping legislative program establishing a "Magna Carta for Transportation." This proposal, like the Great Charter of 1215 A.D., establishing basic liberties for the English people, would provide four freedoms for carriers, namely Freedom from Discriminatory Regulation, Freedom from Discriminatory Taxation, Freedom from Subsidized Competition and Freedom to Diversify. In simple summary, these call for equal government treatment for all forms of transportation. The Magna Carta would put all carriers on a more even competitive footing, allowing each to grow on the basis of its own abilities and not on the basis of those built in by government subsidies and favoritism. We think that is the traditional American concept of fair play.

Fortunately, there is increasing evidence that the public thinks so too, and support and praise of the Magna Carta has been widespread.

Speaking in behalf of the Magna Carta, Rep. Van Zandt of Pennsylvania recently told Congress that 90,000 railroad jobs would be restored if the railroad share of intercity freight increased from 1960's level of 44% to 50%. The Congressman estimated that another 10,000 railroad jobs would be added if the rails' share of intercity passenger traffic were boosted from the present 27% to 35%. That's a total of 100,000 new jobs on railroads alone.

Other Industries Hurt

More traffic brought back to the railroads by fair competition would produce more revenue, and obviously, more spending for capital improvements and operating materials. We estimate the railroads should be spending some $2 billion more a year for efficient maintenance and modernization of plant than they are currently spending. A $2-billion annual boost in spending would create a vast number of new jobs in the huge rail supply industry.

Steel is an example. The railroads should be buying at least five million tons of steel annually. Indeed, we used six million tons in 1951. This year it is doubtful if we will use two million tons. The three-million-ton difference between what should be used and what will be used represents 30,000 fewer jobs in the steel industry alone.

If, however, there is legislative correction of the railroads' problems, railroad purchases would rise to create an estimated 100,000 jobs within the rail supply companies. Some authorities say that figure should be tripled as purchases by rail supply companies spread to their suppliers.

In summary, there are a measurable 400,000 jobs that would result directly from enactment of Magna Carta legislation. What a gigantic boost for our national economy and productive strength that would be. And unlike many grandiose government spending programs, the boost would come from the revenues of free enterprise, not from the taxpayers' pockets. In fact, the Magna Carta, with its provision for fair user charges for publicly paid facilities, would relieve taxpayers of having to underwrite huge government subsidies to commercial carriers.

Summed up then, the public has a substantial dollars-and-cents stake in the success of the Magna Carta—400,000 new jobs, the flow into the economy of at least $2 billion extra annually for rail materials and supplies, savings in personal taxes through having commercial transportation pay its full share of the cost of building and maintaining highways, waterways and airports; and overall, of course, a national transportation system that is self-supporting, and economically balanced to offer the public the rewards and consumer attractions of services under full and fair competition.

Naturally, there follows the question of probability of success in enactment of Magna Carta legislation. This has a two-part answer.

Concern for Foreign Carriers

First, the railroad industry, as I said in the beginning, has the will to live, and the constitution to put up a vigorous fight to survive. Every new inequity foisted on the industry by the government engenders more energy and strong-jawed determination to put up a still harder fight.

In the case of the New Haven Railroad, it was denial of an application for a government disaster loan of $5.5 million that sent the road into bankruptcy. Yet, while allowing our own railroads to die from excessive blood-letting, the United States has shown great solicitude for the railroads of other countries. Our government has provided more than $1.2 billion in loans and grants to foreign railroads since World War II through the International Cooperation Administration, the Development Loan Fund and the Export-Import Bank. Another $970,000,000 has been loaned to foreign railroads by the World Bank of which the United States is the biggest shareholder of the 59 shareholder nations.

If this largess is of the past, then look at the present. A scant two weeks after the New Haven went bankrupt, the World Bank announced a loan equivalent to $80 million to the Japanese national railways for a new line to link Tokyo with Osaka. According to reports, the line will run 311 miles parallel to an existing line through the industrial heart of Japan, provide express passenger trains running 125 miles an hour and freight trains traveling 94 miles an hour.

A couple of days after announcement of the loan to the Japanese railway, the Export-Import Bank announced authorization of two loans of $3.5 million each to the Government of Iran for the purchase of diesel electric locomotives and road building equipment.

Carriers Don't Want Charity

Now I don't say that the railroads want similar largess from our government. All we want is some measure of equality of treatment and an opportunity to provide the progressive, efficient and low-cost service a dynamic and growing American economy demands. But this does give you some idea of what we are up against in the way of governmental attitude.

Isn't this a strange case of reverse myopia in Washington? Here we have a government that sees railroads of such vital importance to other countries as to deserve millions of U. S. tax dollars, but can't shake off its lethargy to extend simple equality of treatment to American railroads.

The second part of the measurement of success for this campaign rests with the public whose rights and prerogatives as taxpayers and transportation users also have been abridged.

Transportation represents one-fifth of the Gross National Product. As such the cost is eventually borne by consumers in the prices of goods and services they use, as well as in the cost of personal transportation and the taxes inherent therein. The Magna Carta for Transportation suggested by the railroads would have a persuasive influence in promoting transportation efficiency among all carriers, both as to services and costs.

California, for example, railroad employment in March of this year totaled 47,000 employees with an annual payroll of about $300 million. This represented 6.73% of the total rail employees and payroll. California's share of the benefits of the 100,000 jobs that Congressman Van Zandt estimated would accrue if railroads gained a 50% share of the freight ton-mileage and 35% of the passenger miles would mean 6,700 additional rail jobs, $42 million additional payroll for this state and millions more for business in this state.

From the idealistic point of view — the individual consumer's or the businessman's belief in the total economic benefits of a free enterprise—the time has come for positive public thinking and positive public action to support the Magna Carta for Transportation. This is a domestic issue that should motivate public discussion just as much as the other great issues of the day, for here is a problem that asks only for application of the principles of the free enterprise system, not for handouts, not for special privilege.

And so, in closing I repeat my statement that the so-called railroad problem is in reality a public problem with broad and sweeping implications. It will be solved eventually but not until the public raises an insistent voice that action follow the talk. In this worthy program, the railroads earnestly invite your cooperation.

*An address by Mr. Wright before the Membership of Town Hall, Los Angeles, Calif., Aug. 8, 1961.

Railroad Tracks and Trends

By Ira U. Cobleigh, Enterprise Economist

A concise consideration of some of the problems of rail transportation, some of their solutions, and some interesting railway shares.

Missile tracking is much more popular today than railroad tracking. Since the end of World War II we have abandoned or torn up 9,000 miles of railway tracks and 21 lines have discontinued passenger traffic altogether. But the 220,000 odd miles that remain are still our most indispensable form of transportation, necessary for almost everything that moves, feeds us, houses us, or protects us. The railroads carried over 70% of our freight traffic during the war—but since then this overall percentage has been in a major decline due to the much discussed inroads of other transport forms—airplanes, trucks, buses and barges. Actually, the American railroads' share of inter-city ton-miles has declined from 74.3% in 1930 to about 43% now.

Competition and Regulation

About this incisive competition, the railroads have complained bitterly and with much justification. Their competitors pay none, or only token taxes on their physical facilities. Since 1920 over $160 billion have been spent on these competitive facilities, subsidized by taxpayers. Railroads must not only maintain their rolling and line property but, in addition, pay hundreds of millions in taxes each year to Federal, State and local governments. Moreover, compared to the property of other owners, theirs has been heavily overassessed. The tax bill paid by Class I railroads, for his overassessment alone, has been estimated at around $140 million a year.

Other railroad burdens include the frequent necessity of keeping in operation losing trackage, and the long delays and losses incurred, waiting for official assent to their abandonment. Featherbedding costs the railroads $500 million a year (including 35,000 unneeded firemen on diesel engines). Essentially, the railroads' incentives and potentials for profit are presently restricted because they cannot effectively control either their costs or their prices, and they no longer have, as they did roughly till 1910, a virtual transportation monopoly.

So the rails do indeed have woes, reflected in the fact that 107 Class I American railroads earned a meager 2% on their invested capital in 1960. This is less than even in the Great Depression. Over 60,000 railroad lines are now marginal. The New Haven which was in bankruptcy for 13 years from 1934 to 1947 is back there again; and current income reports on many Eastern roads such as the Pennsylvania, the Jersey Central, the Lehigh Valley, etc., make dreary reading.

A Better Climate

There is, however, definite evidence that the railroad problem is now receiving, locally and nationally, the public and the governmental attention it deserves. One of the things needed was freedom from rate discrimination. A step to that end was made in the Transportation Act of 1958 which provided, among other things, that rates for one form of transportation shall not be maintained at a given level to protect another form of transportation. A further evidence of a more sympathetic attitude toward the rails is found in the more rapid and sympathetic approvals of line abandonment both by the ICC and State Railroad Commissions; by the subsidy given commuter roads by the State of New Jersey; by financial aid to the New Haven RR. provided by four states; and by reducing assessed value of railroad property in many states. This greatly improved public and governmental climate should enable many roads to do better.

There is a lot, however, that the roads can (and are doing) for themselves: automatic gates and electronic classification yards; ticket machines and automated accounting; special container cars, flat car containers, piggy-back service for truck trailers; tailoring train schedules to shippers' needs and speeding up the service. Ahead lie more efficient, lighter weight cars, robot-run locomotives; the elimination of vintage equipment and outdated management procedures.

In a broader area are the urge to merge and resolute efforts in many lines to provide not just railroad, but complete transportation service. For example, the Southern Pacific runs a fleet of trucks that earned $900,000 in the first half of the year; also 1,500 miles of pipeline. Further, the Southern Pacific is seeking permission to buy a half interest in the big John I. Hay Mississippi River Barge Line.

Mergers

On the merger front there are two types: parallel and end-to-end. The parallel kind creates the most savings (over $10 million a year in the Norfolk & Western-Virginia merger). The end-to-end provides greater integrated long haul business. Mergers which 50 years ago would have been frowned on as octopuses are now being given official blessings.

Just last year the three Canadian Pacific affiliates were merged into one Soo line; the Erie and the Lackawanna were wedded; and the Chicago and Northwestern, and Minneapolis and St. Louis received ICC approval for merger. The Seaboard and Coast Line merger, now in process, is most logical; the wooing of Western Pacific by both Southern Pacific and Atchison will no doubt lead to a wedding (with the groom yet to be announced). The buzzing merger plans of C and O and B and O, with the New York Central trying to get into the act; and the merger matchings of the Pennsylvania group and of a half dozen roads running out of Chicago, all add zest to the market fare in railroads and point, in due course, to significant economies leading to higher earning power.

So, although the railroad picture generally is not exactly dynamic, there are improved hopes and some bright spots. For instance, Norfolk and Western had a 38% pretax operating margin in 1960. Southern Pacific last year led the industry with net earnings of $65.4 million. Further, many roads have a lot more than trains going for them. There's real estate for instance. The Chicago Northwesteren has real estate worth about $42 million which it doesn't use for railroading; income from air rights over Grand Central for a huge new office building will add millions to the $12½ million the New York Central took in from air rights last year. The Pennsylvania has just arranged a profitable deal for the building of a new Madison Square Garden atop its famous New York station: (Boxing will supplement revenues from box cars and bells will ring from the ring as well as from locomotives.)

Oil revenues from petroleum-prone acres have made important contributions to the earnings of Union Pacific, Southern Pacific and Northern. Timber revenues are important also for these roads. In raw land, controlled acreage would include about 8 million acres for Northern Pacific, 7 million for Union Pacific and over 5 million for Southern Pacific.

Other investments are important, too. Northern Pacific and Missouri, Kansas & Texas have substantial pipeline investments. Pennsylvania owns Norfolk and Western stock (about 2,490,000 shares) worth today around $265 million; and 598,186 Wabash shares. Atlantic Coast Line owns over a third of outstanding Louisville and Nashville shares, and Union Pacific owns 23% of Illinois Central. The C and O and the New York Central have both invested in air lines. All of the foregoing outside interests give substantial fringe benefits to equity investment in these companies.

For the investor attracted to railway issues because of their generous current yield (5¼% to 6% in a number of cases), the solid balance sheet assets, the better prospects for rising railroad earnings and the worth and potentials of non-operating assets, there are a number of issues of apparent merit.

Current preference by analysts would tend to favor Atlantic Coast Line common, a consistently solid performer; Atchison, now yielding about 5.6%; Northern Pacific, attractive for its expanding oil revenues: Union Pacific, favored for the magnitude of its non-railway income; Southern Railway, for managerial excellence and territorial growth; Northwestern, for speculative appeal of land and merger; and Missouri Pacific, for its geographic spread and strategic merger potentials. While the rails may never again be the potent blue chips they were in the first two decades of this century, they still are the most economical means of hauling the bulk of America's freight. Railroad commons, properly selected, can be rewarding, if not spectacular holdings, of especial interest to yield-minded investors.

Assembly Engr. Common Offered

Public offering of 100,000 common shares of Assembly Engineers, Inc., at $3 per share is being made by California Investors, Los Angeles. Net proceeds will be used by the company for a new plant, equipment and working capital.

The company's headquarters are located at 3640 Holdrege Ave., Los Angeles, Calif.

Neuwirth Co. Opens

MIDDLETOWN, N.J.—Neuwirth & Co., Inc. has been formed with offices at 49 Robin Court to engage in a securities business. Officers are Henry M. Neuwirth, President and Treasurer; John A. Friedman, Vice-President, and Richard J. Mishlin, Secretary. All were formerly with Maltz, Greenwald & Co.

Form Pace Securities

SYOSSET, N. Y.—Pace Securities Corporation has been formed with offices at 21 Ellis Drive to engage in a securities business. Officers are Bertha Marder, President, and Edward Schwartzberg, Vice-President and Secretary.

Schaefer, Lowe & McCamant Formed

SAN FRANCISCO, Calif.—Schaefer, Lowe & McCamant, Inc., has been formed with offices at 1 Bush Street to engage in a securities business. James D. McCamant, formerly with Birr & Co., Inc., is a principal of the firm.

Form Premium Securities

Premium Securities, Limited has been formed with offices at 301 East 47th Street, New York City, to engage in a securities business. Officers are Seymour D. Segal President; Gladys Goldsmith, Vice-President and Paul Segal, Secretary-Treasurer.

Form Rowley Agency

ISSAQUAH, Wash.—Rowley Agency, Inc., 1325 Sunset Highway, is engaging in a securities business. Officers are George W. Rowley, President; John E. Hedrick, Treasurer, and M. P. Rowley, Secretary.

Caulkins Secs. Opens

DENVER, Colo.—Caulkins Securities Corporation is engaging in a securities business from offices in the First National Bank Building. Officers are George P. Caulkins, Jr., President; Harley G. Higbie, Jr., Vice-President and Treasurer; and Keith L. Brown, Vice-President and Secretary.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Bank Stocks—Quarterly comparison of leading banks and trust companies of the United States—New York Hanseatic Corp., 120 Broadway, New York 5, N. Y. Also available is a card memorandum on **Broken Hill Proprietary.**

Canadian Dollar Discount — and stocks likely to benefit — Wills, Bickle & Company Limited, 44 King Street, West, Toronto 1, Can.

Chemical Equities — Review — Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

Construction Industry—Report with particular reference to **Barchris Construction Corp., Carolina Pacific Plywood, Inc., Coral Aggregates Corp., Seaboard Plywood & Lumber Corp.,** and **Thermal Industries of Florida**—Peter Morgan & Co., 149 Broadway, New York 6, N. Y.

du Pont Divestiture of G. M. Holdings—Study of tax effect on Christiana Securities Co. and its stockholders — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Fire - Casualty Insurance Companies — Review with particular reference to **Continental Insurance Co., Firemen's Fund Insurance Co., Great American Insurance Co., Home Insurance Co.** and **Phoenix Insurance Co.**—J. A. Hogle & Co., 40 Wall Street, New York 5, N. Y.

Five Moderate Growth Utilities—Report on **Atlantic City Electric Co., Carolina Power & Light Co., Central Illinois Public Service Co., Delaware Power & Light Co.,** and **Illinois Power Co.**—Carl M. Loeb, Rhoades & Co., 42 Wall St., New York 5, N. Y.

Heavy Truck Producers—Bulletin with particular reference to **Mack Trucks Inc.** and **White Motor Co.**—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available is a chart analysis of **Chromalloy Corp.**

Institutional Selections for the second quarter of 1961—Review—Droulia & Co., 25 Broad St., New York 4, N. Y.

Japanese Electronics Industry — Analysis—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Liquor Industry — Analysis—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of the **Japanese Cotton Spinning Industry, Sumitomo Bakelite Co. Ltd.** and **Hokushin Electric Works Ltd.**

Japanese Stocks — Handbook for investment, containing 20 essential points for stock traders and investors — The Nikko Securities Co., Ltd., Tokyo, Japan — New York office 25 Broad Street, New York 4, N. Y.

Japanese Stock Market — Review —Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Light Aircraft Industry—Analysis —David L. Babson and Co., Inc., 89 Broad St., Boston 10, Mass.

Machine Tool Industry—Analysis —With particular reference to the **Cross Company, Giddings & Lewis Machine Tool Company, Kearney & Treckler Corp., Seneca Falls Machine Company** and **Warner & Swasey Company**—Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

New York City Bank Stocks—Second Quarter Statistics on 11 New York Banks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Railroad Income Bonds — Comparison — Vilas & Hickey, 26 Broadway, New York 4, N. Y.

Railroad Stocks—Analysis of outlook—Goodbody & Co., 2 Broadway, New York 4, N. Y.

Railroads—Report with particular reference to **Atchison, Topeka & Santa Fe, Northern Pacific** and **Illinois Central**—Penington, Colket & Co., 70 Pine St., New York 5, N. Y.

Service Companies — Bulletin — Shearson, Hammill & Co., 14 Wall St., New York 5, N. Y.

Steel — Bulletin—Walston & Co., Inc., 74 Wall St., New York 5, N.Y.

Virginia Bank Stocks—Semi-annual review—J. C. Wheat & Co., 1001 East Main St., Richmond 19, Va.

Southern Industrial Site—Booklet of available sites in area served—Louisville and Nashville Railroad, Alfred James, Jr., Director of Industrial Development, Dept. CFC, Louisville 1, Ky.

What Is Real Estate Syndication—28 page booklet of questions and answers about real estate syndication, including a glossary of terms —Tenney Securities Corporation, Department No. 56, 18 East 41st St., New York 17, N. Y.

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Abbott Laboratories — Analysis—A. C. Allyn & Co., 122 South La Salle St., Chicago 3, Ill. Also available are analyses of **Arkansas Western Gas Co., Central Illinois Electric and Gas Co., Decca Records, Gulf Life Insurance Co., International Minerals & Chemical Corp.,** and **Texas Gas Transmission Corp.**

Algoma Central and Hudson Bay Railway Co. — Review — James Richardson & Sons, Inc., 14 Wall St., New York 5, N. Y.

American Can Co. — Analysis—Dreyfus & Co., 2 Broadway, New York 4, N. Y.

American Fidelity Life Insurance Co.—Report—R. S. Dickson & Co., Inc., Wachovia Bank Building, Charlotte 2, N. C.

American Petrofina — Analysis—Hornblower & Weeks, 40 Wall St., New York 5, N. Y. Also available is an analysis of **Chas. Pfizer & Co.** and **Champion Spark Plug Co.** and data on **International Telephone & Telegraph Co., Republic Steel, Eaton Manufacturing, Continental Can, Mead, Philip Carey.**

American Telephone & Telegraph Co. — Analysis—Goodbody & Co., Penobscot Building, Detroit 26, Mich.

American Viscose Corp.—Analysis —Eastman Dillon, Union Securities & Co., 15 Broad St., New York 5, N. Y. Also available are analyses of **Firestone Tire & Rubber Co., Ford Motor Co., International Telephone & Telegraph Corp.,** and **Lockheed Aircraft Corp.**

Arvin Industries—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y.

Aurora Plastics Corp. — Analysis —Cohen, Simonson & Co., 25 Broad St., New York 4, N. Y.

Borg Warner Corp. — Memorandum — Dempsey-Tegeler & Co., 210 West Seventh St., Los Angeles 14, Calif.

Bowman Products Co.—Memorandum—Chesley & Co., 105 South La Salle St., Chicago 3, Ill.

Cenco Instruments Corp.—Data—The Milwaukee Co., 207 East Michigan St., Milwaukee 2, Wis. Also available is a report on **Welch Scientific Co.**

Chesapeake & Ohio Railway—Memorandum — Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 5, N. Y.

Chrysler — Memorandum—Herzfeld & Stern, 30 Broad St., New York 4, N. Y. Also available are memoranda on **Sheraton** and **American Viscose.**

Colorplate Engraving Co.—Memorandum—Filor, Bullard & Smyth, 26 Broadway, New York 4, N. Y. Also available is a memorandum on Spanish Securities.

Continental Insurance Co. — Analytical brochure — H. Hentz & Co., 72 Wall St., New York 5, N. Y. Also available are reviews on **Olin Mathieson Chemical Corp., Celanese Corp. of America, Columbia Broadcasting System, Beatrice Foods Co., Sinclair Oil Corp.,** and data on **Public Service Co. of Indiana, Washington Gas Light, Public Service Co. of New Hampshire, Rochester Telephone,** and **New York State Electric & Gas.**

L. A. Darling Co. — Data—Moreland & Co., Penobscot Building, Detroit 26, Mich.

Distillers Corp.-Seagrams Ltd.—Analysis — Doherty Roadhouse & Co., 335 Bay St., Toronto, Ont., Canada.

Dodge Wire Corp. — Analysis—Plymouth Securities Corp., 92 Liberty St., New York 6, N. Y.

Dome Petroleum Ltd.—Memorandum—E. F. Hutton & Co., 1 Chase Manhattan Plaza, New York 5, N. Y.

Eastern Airlines — Review—John H. Lewis & Co., 63 Wall St., New York 5, N. Y. Also available is a report on **National Airlines.**

Electric Storage Battery—Memorandum—F. P. Ristine & Co., 15 Broad St., New York 5, N. Y.

F M C Corp. — Review—Vanden Broeck, Lieber & Co., 125 Maiden Lane, New York 38, N. Y. Also available are reviews of **E. F. MacDonald Co.** and **Scott Paper Co.**

Farrington Manufacturing Co.—Report—Globus Inc., 660 Madison Ave., New York 21, N. Y. Also available are reviews of **National Data Processing Corp.** and the "reading machine" industry.

Federal Insurance Co. — Card memorandum—First Boston Corp., 15 Broad St., New York 5, N. Y.

First Connecticut Small Business Investment Co.—Analysis—Amott, Baker & Co., Inc., 150 Broadway, New York 38, N. Y.

Ford Motor Co.—Data—Purcell & Co., 50 Broadway, New York 4, N. Y. Also available are data on **General Motors Corp., Lockheed Aircraft Corp., Anaconda Co., U. S. Steel Corp.** and a memorandum on **Pepsi Cola.**

General Telephone & Electronics Corp.—Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Gertsch Products—Analysis—William T. Robbins & Co., Inc., Terminal Tower, Cleveland 13, Ohio.

W. T. Grant Co. — Discussion—Colby & Co., Inc., 85 State Street, Boston, Mass. Also available is an analysis of **McDonnell Aircraft.**

International Business Machines—Analytical brochure—F. S. Moseley & Co., 50 Congress St., Boston 2, Mass.

Inter-Provincial Commercial Discount Corp. Ltd.—Report—Equitable Brokers Ltd., 60 Yonge St., Toronto 1, Ont., Canada.

Interstate Vending—Memorandum —First California Co., Inc., 647 South Spring St., Los Angeles 14, Calif.

Kalvar Corporation — Analytical brochure—Howard, Weil, Labouisse, Friedrichs and Co., 211 Carondelet St., New Orleans 12, La.

Kerr-McGee Oil Industries Inc. —Report—Schweickart & Co., 29 Broadway, New York 6, N. Y.

King Kullen Grocery Co. Inc.—Detailed study—Hemphill, Noyes & Co., 8 Hanover St., New York 4, N. Y. Also available are reviews of **Motec Industries, Marrud, United Aircraft Corp., Vulcan Materials Co.**

Lanvin Parfums, Inc.—Review—De Mott Associates, Inc., 600 Old Country Road, Garden City, N. Y. Also available are data on **Tonka Toys, National Semi Conductor, Applied Research, Industrial Control Products Inc. and Instrument Systems Corp.**

Magnavox — Analysis — Schwabacher & Co., 100 Montgomery St., San Francisco 4, Calif. Also available are memoranda on **California Water & Telephone Co.** and **Eitel McCullogh Inc.**

Marrud — Memorandum—Saunders, Stiver & Co., Terminal Tower Bldg., Cleveland 13, Ohio.

National Western Life Insurance Co. — Report—Wode & Co., Inc., 1521 Cleveland Place, Denver 2, Colo.

Pepsi Cola Co.—Report—Eisele & King, Libaire, Stout & Co., 50 Broadway, New York 4, N. Y.

Precision Transformer Corp. of Chicago—Analysis—John R. Boland & Co., Inc., 30 Broad St., New York 4, N. Y.

Radio Corporation of America—Report—Halle & Stieglitz, 52 Wall St., New York 5, N. Y. Also available is an analysis of **Mid America Pipeline Co.**

Ralston Purina Co.—Card Memorandum — Scherck, Richter Co., 320 North Fourth St., St. Louis 2, Mo. Also available is a card memorandum on **Gem International.**

Raytheon Co.—Report—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y.

Russ Togs Inc.—Analysis—G. A. Saxton & Co., Inc., 52 Wall St., New York 5, N. Y.

Ryder System, Inc.—Analysis—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

Schaevitz Engineering — Memorandum—Woodcock, Moyer, Fricke & French, Inc., 123 South Broad St., Philadelphia 9, Pa.

Shakespeare Co.—Analysis— Lowell, Murphy & Co., Inc., 63 Wall Street, New York 5, N. Y.

Southern Natural Gas Co.—Review — Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available is a review on **McLouth Steel Corp.**

Stokely-Van Camp Inc.—Analysis Hooker & Fay Inc., 221 Montgomery St., San Francisco 4, Calif.

Systron-Donner — Memorandum —Birr & Co., Inc., 155 Sansome St., San Francisco 4, Calif.

Techni Electronics Inc.—Report—United Planning Corp., 1180 Raymond Blvd., Newark 2, N. J.

Texaco—Report—Bache & Co., 36 Wall St., New York 5, N. Y.

Texas Gulf Producing—Memorandum—Richard J. Buck & Co., 4 Albany St., New York 6, N. Y. Also available is a memorandum on **Boeing.**

Westgate California Corporation—Analysis — Parker Ford & Company, Inc., Vaughn Building, Dallas 1, Texas.

In Securities Business

HOUSTON, Texas—John E. Clark is engaging in a securities business from offices at 1508 Milford Street under the firm name of J-C Drilling Company.

Form Consolidated Funding

GLENS FALLS, N. Y.—Consolidated Funding Associates has been formed with offices at 48 Garrison Road to engage in a securities business. Daniel J. Bishop is a principal of the firm.

Three With Christensen

GLENDALE, Calif. — Harvey O. Angermeir, Hartley E. Barber and Leo H. Campbell, Jr. have joined Christensen & Company, 1417 West Kenneth Road, as registered representatives.

Sterling at a Premium Now —What About Tomorrow?

By Paul Einzig

Dr. Einzig, discussing implications of surge toward sterling, predicts imminent accentuated wave of optimism, entailing incoming flood of Hot Money and increase of Foreign Exchange reserve. Forecasts difficulties, including futility of Government's efforts to prevent wage inflation. Concludes support given sterling by Central Banks and International Monetary Fund has created more problems than it has solved.

LONDON, England — The announcement of the facilities of $2,000 million placed at the disposal of Britain by the International Monetary Fund gave rise to another wave of optimism towards the immediate prospects of sterling. It went to a substantial premium as a result of the return to London of some of the hot money withdrawn earlier this year, and remained at a premium even after some profit-taking selling. The Bank of England had to intervene to prevent the rate from rising to the upper support point of $2.82, and in doing so it must have acquired fairly substantial amounts of Foreign Exchange. This means that, apart altogether from the addition of the proceeds of the cash part of I. M. F. facilities — in so far as they will not be used up for repaying the amounts due to Central Banks—the gold and Foreign Exchange reserve is bound to show a noteworthy increase during August. That again will accentuate the wave of optimism and more hot money will be pouring into London, leading to further increase of the Foreign Exchange reserve.

This increase of the reserve has to be financed through the increase in the volume of Treasury bills. In theory it would be possible to consolidate the additional floating debt, but in practice the gilt-edged market is in such a state that the Treasury could not think of making any long- or medium-term issues. Since an expansion in the amount of Treasury bills held by banks increases their liquidity ratio, it will be more difficult for them to resist pressure for credit expansion.

More Wage Inflation Ahead

Yet unless there is a fairly drastic credit squeeze between now and October or November the wage inflation is certain to become accentuated. The President of the Federation of Engineering and Shipbuilding Unions has just declared that they pay no heed to the government's appeal for wage restraint and will insist on an immediate and substantial increase in wages and a reduction of working hours.

This is an outstanding instance of trade unionist fool's paradise economics, as it ignores the difference between conditions in engineering and shipbuilding. While scarcity of labor in the engineering industry works in favor of higher wages, the shipbuilding industry is not having a prosperous period. It is losing orders for German, Japanese and other shipyards, and Britain has become the largest importer of ships. If the demand of the Federation of Engineering and Shipbuilding Unions is met many more orders will be lost to British shipyards. Since, however, shipbuilding workers are combined with engineering worksrs in the same Federation of trade unions they put forward identical demands regardless of the difference between conditions in the two industries. Shipbuilding workers are, of course, doing their best to create a scarcity of labor in their industry in spite of the decline in orders, by applying extreme restrictive practices.

Waste of Breath

In face of a state of utter demoralization in which British industry has to operate—the above instance is by no means exceptional — the Chancellor of the Exchequer is merely wasting his breath by exhorting organized labor to moderate its greed. Even some responsible Socialist writers have reluctantly admitted that a large part of the British working classes is utterly devoid of any loyalty to the community. In an article appearing some months ago in the Socialist weekly *New Statesman*, a well known Socialist member of Parliament Mr. J. P. W. Mallalieu, wrting about one of the frequent unofficial strikes in the Port of London which was then in progress, said that the workers he had interviewed were only interested in their families and had no other loyalties.

This spirit will no doubt receive the utmost encouragement from the premature recovery of sterling, helped by the granting of I. M. F. facilities. In the absence of such facilities it would have been necessary to break that spirit at all costs. As it is, the government, employers and employees are likely to feel that, since for the time being the crisis has passed, there is no need to resort to drastic measures that would really hurt. It is true, some firms are dismissing a limited number of their workers, but generally speaking most of them will hoard labor on the assumption that any recession that might result from the 7% Bank rate and the other measures would be of short duration. And in the absence of dismissals on a larger scale, the industries which are in a position to expand in spite of the deflationary measure will have to continue to compete for the scarce labor and the bargaining position of the trade unions will remain as strong as ever.

No Solution

Taking a long view, the granting of support to sterling by Central Banks and the International Monetary Fund has created more problems than it has solved. This experience has made me doubt whether, after all, it would be a good thing if international monetary cooperation were to be increased and improved by means of the adoption of the Triffen Plan, the Bernstein Plan or any other proposals to that end. The advantages of such reforms would be that they would reduce the disturbing effect of speculation and of movements of hot money. Their disadvantages would be that they would increase the temptation to live in a fool's paradise. If governments can easily obtain large external aid it will be even more tempting for them to avoid doing anything unpleasant and unpopular, however necessary it would be to do it. It is difficult to form a definite opinion whether or not speculation and hot money movement are liable to do as much harm as the deferment of urgently needed measures to break the spirit of demoralization that has developed in Britain and other countries of the Free World. The answer must depend on the circumstances of each case. On the basis of the British experience I am now inclined to think that it would have been a smaller evil to have had to face unassisted the full force of pressure on sterling due to speculation and hot money instead of misusing an overdose of such assistance for prolonging a state of affairs which is certain to become untenable in the long run.

N. Y. Hanseatic Wire to Toronto

New York Hanseatic Corporation, 120 Broadway, New York City, has announced the installation of a direct private wire to Doherty Roadhouse & Co., Toronto, Canada, members of the Toronto and other leading Canadian Stock Exchanges, for dealings in Canadian securities.

S. M. Peck to Admit Partner

Henry J. Zarlenga will acquire a membership in the New York Stock Exchange and on Aug. 24th will become a partner in S. M. Peck & Co., 120 Broadway, New York City, members of the New York Stock Exchange.

Now With Henry Swift

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif. — Peter Widdershoven has become affiliated with Henry F. Swift, 435 Montgomery Street, members of the Pacific Coast Stock Exchange. He was formerly with Hill Richards & Co., Inc. and Schwabacher & Co.

George Dullnig Is Forming Own Co.

SAN ANTONIO, Texas — George E. Dullnig & Co. has been formed with offices at 115 West Travis Street to engage in a securities business. Officers are George E. Dullnig President; Richard J. Rolle, Vice-President, and Margaret R. Dullnig, Secretary and Treasurer. Mr. Dullnig was formerly an officer of Texas National Corp.

Fairman Joins Gianis & Co.

S. George Gianis, President of Gianis & Co., 44 Wall Street, New York City, has announced the appointment of Joel M. Fairman as Assistant to the President and Director of Acquisitions and Mergers.

Joel M. Fairman

A graduate of Amherst College and Yale Law School, Mr. Fairman has had extensive experience in all phases of the financial field. He has been with the New York City law firm of Patterson, Belknap & Webb, where he was responsible for general corporate matters as well as real estate transactions. His duties included corporate organization and operating problems, SEC transactions, trade regulation and anti-trust matters, taxation, licensing and corporate acquisitions. He was also responsible for the sale and purchase of real estate, property construction and development, and realty syndication.

Mr. Fairman is a member of the American Bar Association and the Bar Association of the City of New York. His published works have appeared in the Yale Law Journal and the University of Missouri Law Review.

F. S. Smithers to Admit Partner

On Sept. 1st, F. S. Smithers & Co., 45 Wall Street, New York City, members of the New York Stock Exchange, will admit Charles L. Lea Jr. to partnership.

With Dempsey-Tegeler

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif. — William M. Simonson has joined the staff of Demsey-Tegeler & Co., John Hancock Building. He was formerly with Hooker & Fay and Pacific Coast Securities Co.

Amott, Baker Branch

CARLISLE, Pa.—Amott, Baker & Co. Incorporated has opened a branch office at 3 Irvine Road under the management of Charles Y. Love.

Gordon McCormick Branch

SAN JOSE, Calif. — Gordon C. McCormick Inc. has opened a branch office at 476 Park Avenue under the management of Rex Gardiner.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Allegheny Power System, Inc.

Allegheny Power System, Inc. is the new name for West Penn Electric, and the company has also moved its headquarters office into new and more modern quarters at Park Avenue and Fiftieth Street. It controls an integrated group of electric properties in Pennsylvania, West Virginia and Maryland, and small adjacent sections of Ohio and Virginia. The 29,100 square mile area, with a population of 2,400,000, is highly industrialized. Major subsidiaries are West Penn Power (which has a minority interest of 4.8%), Monongahela Power and Potomac Edison. Operations are almost entirely electric, miscellaneous revenues amounting to less than $100,000. Residential sales contribute about 41% of revenues, commercial 17%, industrial 39% and miscellaneous 3%. Steel and iron, coal, chemicals, glass, cement and fabricated products are the principal kinds of industry and contribute about three-quarters of revenues, the balance being well diversified.

Revenues have increased from $94 million in 1950 to $159 million currently, a gain of 69%. Allegheny subsidiaries have been active in development work and a growing number of communities are attempting to attract new industries by business district modernization, new recreation facilities, planning for growth, etc. Their success was indicated by the results of the Pennsylvania State Chamber of Commerce Community Development Contest: Communities served by Allegheny Power System won 16 of the 35 prizes awarded, a considerably larger proportion than would be indicated by the size of the territory served in relation to the state as a whole.

Seventy-one new industrial customers were added in 1960, the following well-known companies doing new construction work: Air Products, Allegheny Ludlum Steel, American Can, Consolidated Electronics, Corning Glass, Eastern Gas & Fuel, Fruehauf Trailer, International Paper, Mack Trucks, Minnesota Mining & Manufacturing, Radio Corporation, Robertshaw-Fulton Controls, Shell Chemical and West Virginia Pulp & Paper.

Allegheny Power has also been active in promoting the utility industry's "Live Better Electrically" program, taking advantage of the cooperative sales supports offered by suppliers and manufacturers of electric equipment for homes. In 1960, a relatively poor year for appliance sales generally, the installations of three major appliances remained about the same in the system area as in 1959. At the year end, 42% of residential customers had electric ranges, 26% had electric clothes dryers, and 22% had electric water heaters. In each case, market saturations for major appliances were higher than the national average.

With respect to electric heating, resistance-type installations are more popular than heat pumps both in new homes and for installation in existing homes. There were 839 new installations of both types in 1960, making the total at the end of the year 2,244. A substantial further increase is anticipated in 1961 because of lower rates now in effect, plus other special inducements now being offered. Specially trained sales forces, close cooperation with architects and builders, growing public acceptance and interest, and an anticipated increase in home building are other reasons for the promising outlook in this activity. Electric heating systems in schools and churches have also increased in number.

System plant capability was 2,370,000 kw at the end of 1960 compared with the peak load of 1,771,000. A new 182,000 kw unit went into service last October; it cost only $132 per kw, considerably lower than had been estimated. This year the company is installing its largest unit with a nameplate rating of 250,000 kw.

Allegheny produces some of the coal for its generating plants. It is interested in the proposal of Consolidation Coal and Texas Eastern Transmission to build a coal pipeline from coal fields in the area to the eastern seaboard to serve the eastern utility market. The practicality of such a pipeline has been increased by improvements in the handling of slurry (a mixture of coal and water) and proposed use of a centrifuge which would reduce the water content so that the coal could be burned immediately.

The Pennsylvania Public Utility Commission over the past year or so has been investigating the earnings of utility companies in its area and has ordered several rate cuts. West Penn Power, following discussions with the Commission, reduced rates about $500,000, effective toward the end of January. A similar rate cut had been made in September 1960 by Potomac Edison in order to promote residential use of electricity, including house heating (West Penn Power had also put promotional rate changes into effect in May 1960, affecting residential water heating and school and church space-heating). Consolidated earnings in relation to net plant have been rather consistent historically, ranging between 6.4% and 7.1% in the past decade and a rate of 6.6% in recent years.

Construction in 1960 totaled over $36 million and is expected to approximate $40 million this year. The only public financing in 1960 was the sale in April of 300,000 additional shares of common stock, and no public financing is scheduled in 1961. The equity ratio at the end of 1960 was 33%, about the same as two years earlier; it had been increased from 17.5% in 1950.

Despite the dilution of earnings through equity financing in earlier years, share earnings increased consistently from 1951 to 1960, the average rate of gain being 5%. Dividends paid increased each year except in 1958 (there has been no increase this year as yet in the $1.70 rate).

Industrial revenues for the second quarter of 1961 gained nearly 4% over the first quarter, with the cement and steel customers contributing substantially to the gain; but for the first half they trailed 1960 by 4%. In the month of June kwh sales were 6% over last year. Earnings for the calendar, year 1961 are estimated at $2.40 to $2.45.

At the recent price around 48 the stock yields 3.5% and sells at about 20 times earnings.

Pan American Resources, Inc. Stock All Sold

Fred Martin & Co., 1101 Woodland Dr., Norman, Okla., reports that its recent offering of 40,000 common shares of Pan American Resources, Inc., at $7 per share, has been all sold. Net proceeds, estimated at $249,000 will be used by the company for research and development of new products, expansion of sales program and for additional working capital.

The company of 401 North Brand Blvd., Glendale 3, Calif., was chartered in Delaware in December, 1955 to coordinate the activities of individuals making up the present management in the administration of certain lands and ranches, control of grazing and livestock companies, and to further develop the Lantz Converter, a device which disposes of rubbish and utilizes the combustible energy thus released to generate heat, power and light, and refrigeration.

Keystone Inv. Corp.

SALT LAKE CITY, Utah—Keystone Investment Corporation has been formed with offices at 826 S. Main Street to engage in a securities business. Officers are Melvin R. Ballard, Jr., President, and B. B. Ballard, Secretary-Treasurer.

Connecticut Brevities

Electric Boat Division of New London, a division of General Dynamics, held commissioning ceremonies for its nuclear submarine, the Ethan Allen, on Aug. 9. The Ethan Allen, which took Electric Boat less than 23 months to build from keel laying to commissioning, is the first fleet ballistic missile ship designed to fire the longer range Polaris missile. She has the greatest striking power and is the heaviest of all underseas ships. Electric Boat has built of the Navy's 21 commissioned nuclear submarines, including the Nautilus, the world's first A-sub and the George Washington, first fleet ballistic missile submarine to fire the solid fuel Polaris missile from submerged positions. The New London shipyard is now building four additional nuclear subs and has contracts for seven more ships. Other projects under way at Electric Boat include building drives and controls for the Navy's "big dish" radio telescope at Sugar Grove, West Virginia, designing and building supersonic wind tunnels for the Air Force and providing an advanced electronics system design for a nuclear powered attack submarine.

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American Cyanamid Co.'s Plastics and Resins Division at Wallingford will start construction of an addition to its plant this Fall. The new facility will produce methyl methacrylate molding powder under a license obtained earlier this year from Imperial Chemical Industries, Ltd. of Great Britain. Completion of the new multi-million plant is expected by mid-1962.

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Perkin-Elmer Co. of Norwalk has been awarded a contract to develop and build a rocket-borne spectrometer for the purpose of studying ultraviolet energy emitted by stars. Free of the earth's atmosphere, the instrument will be able to scan the ultraviolet regions of the spectrum and record the ultraviolet light emitted by the stars. Detailed information will immediately be telemetered back to earth as the entire rocket will be destroyed on re-entry to the earth's atmosphere. Because the design emphasized compactness, Perkin-Elmer has planned the spectrometer to fit into a package 30 inches long and 14 inches in diameter which will be carried 62 to 143 miles above the earth in an Aerobee-Hi rocket.

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Pratt, Read & Co., Inc. of Ivoryton, manufacturer of piano and organ components, has acquired Tech-Art Plastics Co. of Morristown, New Jersey. Tech-Art, a custom molder of plastics, will continue operations at Morristown as a wholly-owned subsidiary of Pratt, Read. This is the second acquisition announced by the Ivoryton company in 1961 as part of its broad expansion program. Earlier in the year, Keyboard, Inc. of Chicago, which makes electronic organ keyboards was acquired.

York Research Corp. of Stamford, one of the country's largest independent testing laboratories, is completing construction of an 11,850 sq. ft. addition to its present facilities. This is the company's fifth and largest expansion during the past four years. York Research, through six operating divisions, provides product application development and market research services to commerce, industry and government.

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Barden Corporation of Danbury, manufacturer of precision ball bearings, has exercised its option to purchase an additional 27% stock interest in E. M. O. Instrumentation, Ltd., a British producer of precision ball bearings. A 50% stock interest in E. M. O. Instrumentation was purchased by Barden over a year ago which, together with the recent stock purchase, gives the Connecticut firm a controlling interest in the British company.

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Pratt & Whitney Aircraft Division of United Aircraft Corporation, East Hartford, has been awarded two contracts by the Navy Department totaling $69.9 million. The contracts are for production, development and testing of the J-52 jet engine to be used in Grumman Aircraft Engineering Co.'s A2F-1 Intruder aircraft. The J-52, a medium sized power plant, develops 8,500 pounds of thrust. It is used on the Douglas A4D-5 Navy Skyhawk and the Army's Hound Dog missile in addition to the A2F-1. The Intruder is a low level attack bomber equipped with electronic instrumentation which allows the pilot to "see" in darkness and bad weather, features of the terrain over which the plane is flying. The **Norden** Division of United Aircraft supplies part of this "seeing eye" electronic equipment and **Hamilton Standard** Division of UAC manufactures fuel and cockpit temperature controls for the Intruder.

New Loewi Branch

WHITEFISH BAY, Wisc.—Loewi & Co. Incorporated has announced the opening of its 15th office in the new Berkeley Building at 409 E. Silver Spring Drive. The new branch will be the investment securities firm's second suburban office in the Milwaukee area as well as the first New York Stock Exchange affiliated company to be located in the north shore area.

William L. Stotzer and George C. Poggel, Jr. have been appointed co-managers. Both men have previously been at the company's downtown Milwaukee office.

Form S. Costell, Inc.

S. Costell Inc. has been formed with offices at 99 Park Avenue, New York City to engage in a securities business. Officers are Sol Costell, President and Treasurer, and Joseph Costell, Vice-President and Secretary. Mr. Sol Costell was formerly with Glaha & Co., J. I. Magaril & Co. and Thomas, Williams & Lee.

Our Growing Population Of Senior Citizens

By Roger W. Babson

Veteran publicist discusses implications of census figures which reveal 10-year increase in number of citizens aged over 55 which, together with the even-faster growing teen-age group, contrast with the stagnant "middle age" group. Cites older group's important impact, both political and economic, including, in the latter category, profits from the building of nursing homes. Maintains effect of President Kennedy's sought-for diversion of increased funds to the aged will be saddling of additional tax burdens on to the "middle" group.

The latest census figures show that the number of people over 55 years of age has increased about 25% compared with the head count taken 10 years previously. While this gain is not as robust as the 50% increase in the number of teen-agers, it is substantially ahead of the "middle" age group between 25 and 55 years old, which just about held its own.

Uptrend in Older Age Population

The combination of growth in total population and lengthening life span means that the number of people over 55 years of age is likely to continue to increase. More important even is the progress of medical and biological science.

In the above connection, let me say that IBM is working on the theory that, if arteriosclerosis and cancer can be controlled, older people might live to 120 years or more! Several drug companies are working on polymers, D.N.A.'s and R.N.A.'s (the latter initials are used in place of involved chemical terms) which have a closed relationship to life.

Increasing Purchasing Power

The growth of this segment of the population means that in the future this group will exert a greater influence upon the nation's economy, and, I might add, upon the political picture also. Thus, even though their per capita spending has not risen commensurate with their growth in numbers, the aggregate spending of older people will rise.

Because of the long prosperity of the past two decades, older folks today have more of a backlog of purchasing power. Savings in the form of insurance, annuities, securities, and pension funds are at all-time highs. To these can be added the more liberal social security payments and other forms of "transfer payments." The trend of legislation would seem to indicate more public old-age assistance in the future.

Senior Citizens and General Business

Unlike the teen-agers, the necessaries of life required by older people are more moderate. Nevertheless, certain food companies are tailoring a number of products to the needs of the geriatrics. Older people do consume large quantities of soft drinks, fruits, and fruit juices. Perhaps their biggest needs are for medical and dental supplies, eye glasses, hearing aids, and inexpensive "informal" clothing. Sporting goods lines (including bowling, golf, and fishing) and hobby supplies should experience higher demand. Tourist and vacation regions, and businesses incidental thereto, will enjoy their trade.

People quickly become bored with retirement. Therefore, I forecast that businesses supplying "Do-it-yourself" tools, seeds and gardening implements, and cameras and photographic equipment should find a good market in these senior citizens. Also, demand for radios, phonographs and records, and television sets will benefit; as will sales of greeting cards.

Opportunity for Service as Well As Profit

Profits from the older age group will come largely through nursing homes. Builders tell me that the greatest increase in their business is in the building of nursing homes. At present, some large houses are coming onto the market for possible use as such, but under present laws it is cheaper to build a new nursing home than to remodel a fine old house. A single room and bath, with all the usual facilities, can run as high as $150 a week; but there is a tax consideration which helps out those who are supporting aged parents in these institutions. Nursing homes surely provide a needed service.

The above discussion should receive careful attention on the part of bankers, businessmen, investors, and even the average reader of my column. One thing should be remembered, however. Namely, that although President Kennedy and others are seeking more funds for the aged, I repeat that the "middle" group of people (between 25 and 55 years of age) must, for the next few years, not only pay directly for their own children's and parents' support, but also pay the taxes to build and equip educational structures, nursing homes, etc., and provide for greatly increased public assistance.

Improvement in Rail Income

Latest monthly figures show net income of class I carriers same as year earlier, against preceding drastic declines since beginning of year. Analysis reveals 33 of the roads failed to earn their fixed charges during first half.

Estimated net income of class I railroads in June 1961 amounted to $43 million as compared with $43 million in June 1960 and $73 million in June 1959, according to reports filed by the carriers with the Bureau of Railway Economics of the Association of American Railroads and made public last week. Class I railroads are those with annual gross revenues of more than $3 million; there are 107 such lines and they handle 99% of railroad freight and passenger service.

Net income for the first six months of 1961 was estimated at $60 million as compared with net income of $238 million in the corresponding period of 1960 and net income of $307 million in the corresponding period of 1959.

Net railway operating income of class I railroads in June 1961, before deduction of interest and other fixed charges, was $59 million as compared with $57 million in June 1960 and $89 million in June 1959. For the first six months of 1961, net railway operating income totaled $146 million as compared with $331 million for the first six months of 1960 and $414 million for the corresponding period of 1959.

In the 12 months ended June 30, 1961, the railroads' rate of return averaged 1.46%. Rate of return, calculated on net railway operating income, is based on the average value of road and equipment at the beginning and end of the period as shown by the books of the railways, including materials inventories and cash, less accrued depreciation.

Total operating revenues in the first six months of 1961 amounted to $4,419 million as compared with $4,890 million in the same period of 1960, a decrease of 9.6%. Operating expenses in the first six months of 1961 amounted to $3,596 million as compared with $3,840 million in the corresponding period of 1960, a decrease of 6.4%.

There were 33 Class I railroads that failed to earn their fixed charges in the first six months of 1961, of which 21 were in the Eastern District, seven in the Southern Region, and five in the Western District.

Eastern District

Class I railroads in the Eastern District in June, 1961, had an estimated net income of $3 million compared with a net income of $11 million in June, 1960 and a net income of $27 million in June, 1959. In the first six months of 1961 they had an estimated deficit of $74 million compared with a net income of $65 million in the first six months of 1960 and a net income of $98 million in the corresponding months of 1959.

Operating revenues of railroads in the Eastern District in the first six months of 1961 totaled $1,762 million, a decrease of 15.3% compared with the same period of 1960. Operating expenses totaled $1,515 million, a decrease of 8.5% compared with 1960.

Southern Region

Class I railroads in the Southern Region in June, 1961, had an estimated net income of $7 million compared with $7 million in June, 1960 and $10 million in June, 1959. In the first six months of 1961 their estimated net income was $29 million compared with $43 million in the first six months of 1960 and $49 million in the same period of 1959.

Operating revenues of Class I railroads in the Southern Region in the first six months of 1961 totaled $663 million a decrease of 5.8% compared with the 1960 period, while operating expenses totaled $521 million, a decrease of 4.5% compared with 1960.

Western District

Class I railroads in the Western District in June, 1961, had an estimated net income of $33 million compared with $25 million in June, 1960, and $36 million in June, 1959. In the first six months of 1961 their estimated net income was $105 million compared with $130 million in the first six months of 1960 and $160 million in the same period of 1959.

Operating revenues of railroads in the Western District in the first six months of 1961 totaled $1,994 million, a decrease of 5.3% compared with the 1960 period, and operating expenses totaled $1,560 million, a decrease of 4.8% compared with 1960.

Portfolio Planning

Portfolio Planning Corporation is conducting a securities business from offices at 770 Lexington Avenue, New York City. Martin H. Drayer is President of the firm.

U. S. Aluminum Industry In the Early Nineteen Sixties

By Frederick J. Close,* *Vice-President, Aluminum Company of America, Pittsburgh, Pa.*

Aluminum has its eye on a full-scale, mass market volume for its product and its present, uncomfortable overcapacity should be gone in a few years. Confident about this and much more, about aluminum's future, Mr. Close summarizes the major aspects of the industry's outlook and the favorable factors lying behind his optimism. Outlined are four markets where aluminum will exercise growth leadership as the "light metal for a fast-moving age."

The outlook for aluminum in the early sixties is good. And the reason we feel that way is because of the basic characteristics of aluminum that fit so well into the requirements of the economy we will be living in during the sixties—lightweight, resistance to corrosion, electrical conductivity, non-toxic characteristics, ease of finishing and multiplicity of finishes available, availability of the metal itself, thermo conductivity, high reflective value, ease of working, colorless salts—no red rust stain—and a variety of joining and other basic manufacturing processes, such as hydraulic extrusions, impact extrusions and die castings, to name a few, which are more adaptable to aluminum than to other commonly used metals.

Frederick J. Close

And probably as important as anything else is the vitality of the aluminum industry as it is now constituted — the imaginative, creative abilities of the people in it, and their grasp of merchandising and marketing techniques. Truly, aluminum is a most versatile material, and we of the aluminum industry feel our major job is to exploit the versatility of this metal through research and development and good promotional activities, including advertising and merchandising. If we do this job well, aluminum should prove to be as fast growing in the sixties as it was in the fifties, when it had no peer in the metal industry.

It is just 75 years since Charles Martin Hall discovered his electrolytic process for producing aluminum. Since the day that discovery opened the door to aluminum as an economic reality, this light metal has grown from a laboratory curiosity to one of the world's foremost metals. So phenomenal has this growth been, that production and consumption of aluminum have overtaken and surpassed all other non-ferrous metals, including copper, lead, tin, zinc, gold and silver, whose histories reach back thousands of years. From 50 pounds a day in 1888, U. S. aluminum production has expanded to the present rate of about 11 million pounds per day. In the same period, per capita consumption in this country has grown from virtually nothing to approximately 25 pounds per person last year.

Sees Long Run Steady Growth

I would like to reiterate that the outlook for the U. S. aluminum industry remains one of great opportunity and continued progress. We are fully prepared for some ups and downs, but the long-term projection points to steady growth. Of course, it is one thing to be a perennial optimist, and something else again to have good, sound reasons for your optimism. No one today can ignore the severe competition we are generating within the aluminum industry itself, or the even more severe competition we are getting from some of the other metals, not to mention plastics, wood and glass.

So, before we get too deeply into the subject of the future of aluminum, I think we should understand a little more of what the aluminum industry is and what it has done. Here are a few basic facts.

Favorable Factors

In looking at aluminum's past development, four basic characteristics stand out. The first might be called *innovation*—the emphasis on research and development. Almost from its inception, aluminum progress has been marked by a bewildering string of advances: new alloys, new forming techniques, an array of protective and decorative finishes that only aluminum can offer, revolutionary designs, and new and fresh applications that add beauty and convenience to everyday living.

The second characteristic has been *aggressiveness* in marketing, sales and promotional activities. Aluminum has again and again created whole markets where none existed. It has been tireless in its efforts to make the advantages of the metal familiar to the public.

The third has been favorable economics, especially the fact that sources of our materials are abundant, and that adequate supplies of them are assured since the principal U. S. producers own or control their own reserves. Because of these and other factors, your dollar still buys a bigger chunk of aluminum than of any other non-ferrous metal.

Finally, of course, there are the inherent advantages of the metal itself in alloy form. As I said before aluminum is without doubt a most versatile, modern material with almost unlimited applications.

These, then, are the dominant factors that have made aluminum today the number one non-ferrous metal that broke through the two-million-ton production mark in 1960. These same factors, I believe, will prove to be the key to the future of the industry. With this background in mind, let's look briefly at the current situation.

Current Situation

The year 1961 finds aluminum still building for future growth as it has during the past decade. Primary aluminum production capacity in the U. S. has more than tripled since 1950. In the last year alone, Aluminum Company of America added 55,000 tons, and Reynolds Metals Company completed 66,700 tons of new capacity. Anaconda Aluminum Company increased its rated capacity by 5,000 tons and Harvey Aluminum Company added 21,000 tons. During the last 10 years, the number of domestic producers increased from three to the present total of six, including the four mentioned above together with Kaiser Aluminum & Chemical Corporation and Ormet, Inc. (Ormet, of course, is jointly owned by Olin Mathieson Chemical Corporation and Revere Copper and Brass Company).

Today, the U. S. industry is operating at approximately 72% of rated capacity, a reflection of the present margin of supply over demand. Although we feel that this is a temporary condition and that it has had certain favorable effects, the current period of ample supply has nevertheless intensified a highly competitive situation, made especially severe by widespread price cutting. The resulting struggle for orders, and the even tougher struggle for profits, has been a rough battle. Added to the problem of low earnings, of course, has been the expense of carrying charges on idle facilities including those in mining, refining, smelting and fabricating operations. Then, too, a general let-down in the economy during 1958 and 1960 certainly did not help the situation any.

The domestic primary aluminum industry now has an annual installed capacity of 2.5 million tons; an additional 550,000 tons of metal per year currently comes from imports and scrap. Taken altogether, this represents a total *available* supply of approximately three million tons. Industry shipments in 1960, however, were only about 2.3 million tons. The question before the house at this time, of course, is how confident are we that demand will close this present gap with supply—and make possible better profits for the industry. After taking a good, hard look at the years ahead, we think it is reasonable to expect that this gap will close in the next few years—and for definite reasons.

Over-Supply Will End in Few Years

The fact of the matter is that our greatly expanded capacity, despite its temporary problems, is a positive factor in the development of future markets, most of the significant product applications going on right now, or being planned, are a result of this assured supply of metal. In the automobile field, for example, it takes about three years to get a new car design from the drawing board stage to the assembly line. Obviously then, not too much aluminum gets designed into a car unless management in the auto industry knows that metal will be available when it's needed. More and more producers of large tonnage items are now confident that the aluminum industry has — and will continue to have — adequate facilities to meet tomorrow's demand.

Another aspect is that the aluminum market place is just beginning to feel the effect of the large expenditures for research and development during the Fifties. In the case of Alcoa, for example, research and development outlays the last few years have been in the range of $15 to $18 million annually, more than double what they were in 1950. In the years just ahead, this investment will show up in a stream of new processes, products and applications. Another point is that we are beginning to see a new concept in aluminum design. In the past, when the metal was used in place of another material, too often it was bound by the traditional form of the material it replaced. Today, there is more emphasis on designing with aluminum to make the best use of its specific qualities and advantages.

While I have mentioned only a few points, we feel that the industry has been building a solid foundation for the future, and we feel tomorrow's consumers are going to put special emphasis on three things in manufactured goods: Number one, light weight. From all indications, the years ahead will stress mobility, portability and speed. In this area, aluminum's light weight will make it a natural choice. Number two, freedom from maintenance. Aluminum is the metal that physically takes care of itself, thus assuring the benefits of more time for leisure activities, and a minimum of trouble and expense for upkeep. And third, color and design flexibility. Today, the accent is already on eye catching color, textures and forms. Aluminum will continue to be a leader in this trend as it can be finished, colored and shaped so easily and in so many different ways. All in all, the industry today more than ever before feels that it must expand *ahead of demand*—not after the orders are on the books.

Four Aluminum Growth Markets

Now let's take a look at the four markets we expect to be the aluminum growth leaders in the future.

(1) Building and construction uses represented the largest percentage — approximately 25% — of industry shipments in 1960. Aluminum windows, for example, already account for about 47% of the total windows used in home construction today. Altogether, new house construction now uses 200 pounds of aluminum per house. Tomorrow it could easily absorb more than 500 pounds per house. A variety of building products introduced in recent years, such as siding, building sheet, decorative screening and rain carrying equipment, are already consuming substantial quantities of metal and the full potential of these products is hardly tapped.

New housing starts currently total about 1.3 million each year. At that rate, if new house construction used 500 pounds of aluminum per house, the resulting annual market would require 650 million pounds of metal. I might add that National Homes' aluminum models—some of which use more than 2,000 pounds each — now account for approximately 80% of that firm's total sales of manufactured homes.

(2) The transportation industry takes the second largest share of total aluminum shipments, about 21% in 1960. The use of aluminum in passenger cars, in particular, has grown rapidly. In 1948, aver-

age use per car was six pounds. Alcoa's estimate for 1961 is 63 pounds—a tenfold increase—and in 1965, we belive the figure will be at least 130 pounds per car. These aluminum uses will include interior and exterior trim, bumpers, transmissions, wheel and brake assemblies, and the large development of aluminum under the hood—engine blocks, cylinder heads and dozens of auxiliary engine parts.

Aluminum engines in the new compact cars have certainly been one of the most important advances in recent years. In the near future, these lightweight engines may be the rule rather than the exception because dead weight is definitely public enemy number one in Detroit. If so, it is conceivable that in a 6.5 million production year the passenger car industry alone would require approximately 425,000 tons of aluminum, or nearly 20% of the total amount available in the U. S. last year.

Incidentally, many of you probably noticed that cars equipped with aluminum engines and transmissions took a number of honors in the 1961 economy runs, notably the Corvair and Buick Special in the Mobil Gas event, and the Lancer in the Pure Oil competition at Daytona Beach, Fla. The transportation field, of course, includes many other growing applications such as jet aircraft, ocean going vessels, highway trailers, and railroad equipment.

(3) Prospects are also bright for the electrical field, which in 1960 accounted for 10% of the industry's shipments. The major advantage of aluminum here is its combination of light weight with the ability to conduct about twice as much electricity per pound as copper does. Based on the electrical industry's prediction that electric power consumption will double in the next 10 years, we look for aluminum shipments to this market in the same period to more than double last year's 230,000 tons. In addition to transmission cable and accessories, increases should be substantial in electrical bus bar, conduit, electronic components and strip windings for coils and transformers. Recently, a new structural use of aluminum was introduced in this field — transmission towers to carry extra high voltage power lines cross country. This market has good growth potential.

(4) Finally, there is the packaging and container market. Although smaller than the ones just mentioned, it already represents 7% of total shipments and is definitely our fastest growing market. I imagine most of you are well aware of the increasing use of aluminum for flexible foil packaging, foil containers for products such as frozen or "convenience" foods, and closures of many kinds. Last year an estimated 161,000 tons of aluminum went into packaging, with foil use alone accounting for 114,000 tons.

The hottest item here, though, is the aluminum can. Industry shipments of the can industry, which were only about three million pounds in 1958, shot up to over 50 million pounds in 1960. Already, motor oil, beer, frozen citrus concentrates, and many aerosol products are being sold in aluminum cans, and despite a fierce competitive battle with traditional tin plate, this market holds great promise. We feel that this is only the beginning—that aluminum will be used in the future to pack a wider variety of frozen citrus products and thousands of other household goods. This trend will continue primarily because the light weight of aluminum cans are also easily decosavings over other materials. Aluminum cans are also easily decorated, resistant to corrosion, and have high merchandising value.

These are only a few of the potentially large markets that could be pointed out. Judging by the progress to date, these markets point to dramatic increases in future consumption of aluminum. Added to these opportunities here at home, the outlook for aluminum market growth is greatly influenced today by the metal's sudden development into a worldwide commodity.

In brief, despite some short-term problems, it would be a mistake to lose sight of the dynamic long-range aspects that are the real key to what's ahead for aluminum. It would, in my opinion, be unwise to overlook the fact that the same basic, underlying factors responsible for aluminum's outstanding growth to date are still very much alive and will continue to give a strong upward thrust in the years ahead. We think we have built a solid base for new, expanded markets. With reserve capacity available, the industry is now in an excellent position to put aluminum on a full-scale, mass-market basis. Unlike many materials it competes with, aluminum is just now on the threshold of getting rid of its "Tailored - to - the - Job" label. It now has its eye on volume markets where there is the potential for large tonnage applications requiring either primary metal or standard fabricated shapes. The results should be longer production runs, lower unit-costs—and a real lift to the industry's profit picture.

All in all, aluminum presents an intriguing mixture of challenges and great opportunities that should continue to attract the best brains, energy and capital investment available. In the home, on the highway, in industry, in defense needs — everywhere there are fresh signs of increased emphasis on aluminum . . . "The light metal for a fast-moving age."

*An address by Mr. Close before the Richmond Society of Financial Analysts, Richmond, Va.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

The number of civilian employes in the Federal Government is nearly 2½ million. Such a huge bureaucracy explains the waste and inefficiency in program after program. President Kennedy told the International Cooperation Administration to allot $20 million to Panama, only to learn several months later that it hadn't been done.

The end to the growth in the Federal Government is not in sight. Since January, when President Kennedy took office, 61,598 new employes have been hired. With the present defense build up there is every expectation that the rate of employment will rise even higher. For example, the Defense Department has estimated that it will need 25,000 to 50,000 new civilians to handle the increase in servicemen. The new employes and their wages will inevitably call for a rise in the budget.

President Eisenhower reduced the number of government employes by almost 200,000. In the five months that President Kennedy has been in office, he has added almost one third that number.

It is frequently argued that an increasingly complex society demands an increasingly complex government. But that is one of the things that makes living so complex.

* * *

Washington hotels and restaurants were enriched last week by the hordes of savings and loan and commercial bank representatives who climaxed their long smoldering feud over the disparity in the manner in which they are taxed. They carried their campaign to the House Ways and Means Committee which is considering doing something about the 12% reserve for bad debts which the savings and loan industry and the mutual banks are permitted to deduct from their pre-tax income. Secretary of the Treasury Dillon recommended several weeks ago that the concession, which he said have made savings and loan institutions virtually tax exempt, be removed. He urged that the 12% bad debt reserve either be removed and the institutions taxed at the regular corporate rate of 52%, or that the allowance be reduced in such manner as to yield between $125 million and $150 million annually in taxes.

The concessions to the savings and loan institutions were made in the early stages of their development, Mr. Dillon says, but such preferential treatment is no longer needed in the light of the growth of the institutions which he says now have assets of $110 billion and annual earnings of $750 million.

The bankers were, of course, delighted with Mr. Dillon's argument. It's what they have been saying for years.

On the other hand, C. Elwood Knapp, President of the United States Savings and Loan League, says that the Dillon plan would result in a decrease of 40% in mortgage funds supplied by the associations. Such a drop would be nothing short of a calamity to home building and home buying, he says.

The League claims that savings and loans are entitled to a larger bad debt reserve because commercial bank loans are largely short-term and losses may be realized on an annual basis. But because of their long-term loans, losses of savings institutions tend to be concentrated in a few bad years, he says.

Secretary Dillon has cautioned the members of the Ways and Means Committee against doing anything that would tend to dry up mortgage funds.

Regardless of what the committee does it is not likely that a tax bill will be passed this year.

* * *

Senator Harry F. Byrd, of Virginia, estimates the true cost to taxpayers of the foreign long-term aid program will be far more than the $8.8 billion set by the Administration. The cost of floating the bonds to finance the loans, a large part of which do not have to be paid for 50 years, will swell the total to nearly $30 billion.

Senator Byrd is not a man to exaggerate.

R. M. Armistead With Strader & Co. Inc.

STAUNTON, Va. — Strader & Company Incorporated has opened a branch at 5 South Market St., under the management of R. M. Armistead. Mr. Armistead for many years conducted his own investment business, under the name of R. M. Armistead & Company, in Staunton.

Form General Planning

BALTIMORE, Md.—General Planning Corporation has been formed with offices at 4544 North Charles Street. Laurence H. Meisner is a principal of the firm.

Smith & Walker Formed

BETHESDA, Md.—Smith & Walker has been formed to conduct a securities business from offices at 8227 Woodmont Avenue. James M. Smith is a principal of the firm.

Elected Director

Marvin L. Levy has been elected a director of Gulton Industries, Inc., it was announced by Dr. Leslie K. Gulton, chairman of the board of directors. Mr. Levy is a partner of Lehman Brothers.

Aberdeen Branch

MIAMI, Fla.—Aberdeen Investor Programs, Inc. has opened a branch office in the Dade Federal Building under the management of Edward M. Gale.

Devon Plans Branch

Devon Plans Corporation has opened a branch office at 115 Broadway, New York City, under the management of Norman E. Torrey.

First of Mich. Branch

BIRMINGHAM, Mich. — First of Michigan Corporation has opened a branch office in the Wabeek Building under the direction of Alexander Riker.

Schneider, Bernet Branch

AMARILLO, Tex.—Schneider, Bernet & Hickman, Inc. has opened a branch office at 113 West Seventh Street under the management of Griffin Dollarhide, Jr.

Imperial Financial Branch

IOWA FALLS, Iowa — Imperial Financial Services, Inc. has opened a branch office at 1910 Cottrell Avenue under the management of Gloy Lindaman.

TAX-EXEMPT BOND MARKET

*By GEORGE L. HAMILTON**

In a quiet, slightly easier market setting the $225,000,000 State of California issues were offered for competitive bidding at 1 p. m. (EDT) yesterday. What transpired in Sacramento when State Treasurer Betts opened the bids was beyond belief and a severe shock to the municipal bond fraternity.

It had been announced previously that in the interest of the industry, and for the good of the general bond market, that the two competing groups headed respectively by Bank of America N. T. & S. A. and Bankers Trust Company would merge and submit one consolidated bid for the various loans. This merged account bid a 3.89% interest cost for the $100,000,000 veterans' bonds; a 3.86% interest cost for $100,000,000 school bonds and a 3.83% interest cost for the $25,000,000 construction bonds.

An Unexpected Bid

Then, to the amazement of all concerned, a second bid appeared for the $100,000,000 school bonds at a 3.75% interest cost. This bid which was 11 basis points higher than the other bid was made by the firm of State Street Securities Corporation a corporate affiliate of William S. Morris & Company of New York City. Pandemonium reigned and no award of bonds was made until 2½ hours after sale time.

At 3:30 p. m. New York time, Treasurer Betts announced the award of the $100,000,000 school bonds to State Street Securities Corporation and rejection of the bids for the $100,000,000 Veterans' bonds and $25,000,000 construction bonds. The school bonds are being reoffered to yield from 2.00% in 1963 to 3.90% in 1987. Drake & Co. has been retained as agent to run the books. No retail orders will be accepted by State Street Securities Corporation, William S. Morris & Co. said.

The Market as a Whole

The market for state and municipal bonds, aside from the California fiasco, has been relatively quiet since we last went to press with prices generally lower. Although the bidding for new issues has been less aggressive than in past weeks, a price level has not been reached which would stimulate general investor demand.

The municipal market is once again giving ground in an orderly fashion and whether the technical factors will interrupt this slide remains to be seen.

Yields Higher

Secondary offerings would indicate that the market has moved off fractionally during the week past. The *Commercial and Financial Chronicle's* high grade 20-year-bond Index is 3.393% on Aug. 16, as against a lower 3.373% a week ago. This week's average represents a decline of a little more than one-quarter of a point.

However, the available float of municipals, as measured by the *Blue List* has jumped since last week to yesterday morning's total of well over $400 million. Last week's total was $392,509,000. The principal cause of this increase has been the listing of new issues during the past week which have not been sold out. This float would be a serious market deterrent if the new issue calendar of sealed bidding were heavier.

Fortunately the volume of new issues scheduled for sale over the next 30 days now totals a modest $193,419,000. This is the lowest total of bond financing scheduled since this article was originally started back in 1959.

Big Issues in the Offing

The schedule of municipal bond financing can jump overnight, however, and rumors persist that shortly after Labor Day we may see the sale of $47,000,000 Commonwealth of Massachusetts various purpose bonds and $35,000,000 Los Angeles, California school district bonds.

These, and many authorized but unsold issues, could and probably will rapidly swell the total of volume early in the Fall.

July Volume Lowest Since 1956

It is interesting to note that July of this year saw the volume of new municipal bond financings drop to the lowest total for the month of July since 1956. This volume of July financing amounted to a little over $439,000,000 and increased the flotation of bonds for the first seven months of 1961 to just under $5 billion.

As reported by the *Bond Buyer*, this total of bonds already financed is approximately 7% above last year's seven month total. There have been 3,781 separate bond issues this year, with school construction loans totaling about 33% of the volume. Issues for water and sewer purposes; roads, tunnels and bridges; veterans' aid; and housing starts make up in order most of the other important purposes.

Recent Awards

On Tuesday, August 15, Washington Suburban Sanitary District, Maryland came to market with $10,000,000 various purpose (1963-1991) bonds. In comparatively close bidding the issue was awarded to the account headed by Phelps, Fenn & Co. and including Alex. Brown & Sons, Stone & Webster Securities Corp., Blair & Co., First of Michigan Corp., Francis I. duPont & Co., William E. Pollock & Co., Inc., and others. The bonds were reoffered at prices to yield from 2.10% to 3.85% in 1989. The last three maturities bore 1/10 of 1% coupon and were reoffered to yield 4.75%. The issue received good initial investor interest and, at this writing, a balance of $2,929,000 bonds remain in account.

Also on August 15, the account managed by Equitable Securities Corp. was the high bidder for $7,050,000 Paducah, Kentucky Electric Revenue (1963 - 1988) bonds. Included among the other underwriters were John Nuveen & Co., Phelps, Fenn & Co., Merrill Lynch, Pierce, Fenner & Smith Inc., Armstedt Brothers, Paine, Webber, Jackson & Curtis, Goodbody & Co., W. L. Lyons & Co., and Stein Brothers & Boyce. The major portion of the proceeds from the sale will be used to purchase the electric distribution system of the Kentucky Utilities Company in Paducah. The bonds were scaled to yield from 2.20% to 4.05%. Yesterday afternoon's balance is $1,197,000.

The $5,000,000 Orange County, California Flood Control District (1964-1996) bonds awarded Tuesday attracted four bids. The group headed by the Security-First National Bank of Los Angeles and including The Bank of California, Blyth & Co., Inc., the Crocker-Anglo National Bank, the First Western Bank and Trust Co., Goldman, Sachs & Co., and several others, won the issue.

Orange County, which is situated between Los Angeles County and San Diego County, has shown a 225% population growth in the last decade. The bonds were scaled to yield 2.15% to 3.85% in 1994. The last two maturities were not reoffered. The issue was well received and only $440,000 of the bonds remain in account today.

The *Smith, Barney & Company* Turnpike bond yield index has changed but little since last reporting. It was reported as 3.84% on Aug. 10 as against 3.83% the week before. Should this average be struck as of Aug. 16 it would be about unchanged. Revenue and traffic reports continue favorable for most of the toll revenue issues and most all show improvement.

Florida Turnpike Issue Closer

September 14, has been set as the nearing date by the Leon County, Florida circuit court on the validation petition by the Florida Turnpike Authority for $160 million of bonds to finance construction of the 156-mile northern extension of the Sunshine State Parkway. Should this validation be granted, an immediate appeal will be made to the Florida Supreme Court for clearance of the issue and an early offering of the bonds is anticipated.

Cost of the extension from Fort Pierce northward to Wildwood in Sumter County is estimated to cost $76 million. However, $66 million will be needed to refund the presently outstanding bonds as under the existing bond agreement the road cannot be extended unless all outstanding bonds are refunded. The remaining $18 million of the planned new issue will be used to provide money to pay interest until the extension is finished in late 1963.

Dillon, Read & Co. of New York will head the underwriting group to negotiate this issue. There are at present no other large negotiated issues on the horizon.

Next week's new issue calendar continues light and relatively unimportant. The only loan of note consists of $25,000,000 Cook County, Illinois Expressway (1962-1976) bonds up for competitive bidding on Tuesday, August 22.

* Pinch-hitting for Don Mackey.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978–1980	3.90%	3.75%
Connecticut (State)	3¾%	1980–1982	3.40%	3.30%
New Jersey Highway Auth., Gtd.	3%	1978–1980	3.50%	3.40%
New York (State)	3%	1978–1979	3.30%	3.20%
Pennsylvania (State)	3⅜%	1974–1975	3.20%	3.10%
Vermont (State)	3⅛%	1978–1979	3.40%	3.25%
New Housing Auth. (N. Y., N. Y.)	3½%	1977–1980	3.40%	3.25%
Los Angeles, Calif.	3¾%	1978–1980	3.75%	3.65%
Baltimore, Md.	3¼%	1980	3.45%	3.35%
Cincinnati, Ohio	3½%	1980	3.40%	3.30%
New Orleans, La.	3¼%	1979	3.60%	3.50%
Chicago, Ill.	3¼%	1977	3.60%	3.50%
New York City, N. Y.	3%	1980	3.60%	3.55%

August 16, 1961 Index=3.392%

Engler & Budd Co. Opens

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn.—The Engler & Budd Company is engaging in a securities business from offices in the Builders Exchange Building.

A. H. Kolkey Opens

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif.—Aaron H. Kolkey is engaging in a securities business from offices at 3163 Governor Drive. Emilio J. Esposito is associated with him.

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

Aug. 21 (Monday)			
Hancock County Bd. of Ed., W. Va.	5,283,000	1962-1981	8:00 p.m.
King County, Washington	2,393,000	1963-1991	1:30 p.m.
Aug. 22 (Tuesday)			
Cook County, Ill.	25,000,000	1962-1976	10:30 a.m.
Dixon, Ill.	1,350,000	1964-1981	11:00 a.m.
Fullerton U. H. S. D., Calif.	1,000,000	1962-1981	11:00 a.m.
Greece Central Sch. Dist. 1, N. Y.	3,000,000	1961-1990	2:00 p.m.
Leominster, Mass.	3,470,000	1962-1981	11:00 a.m.
Montclair, N. J.	1,562,000	1962-1986	8:30 p.m.
Rio San Diego Mun. Dist., Calif.	2,400,000	1964-1991	7:30 p.m.
Speedway Sch. Bldg. Corp., Ind.	3,625,000	1964-1983	2:00 p.m.
Vermont (State of)	5,000,000	1962-1981	11:00 a.m.
West Allis, Wis.	1,415,000	1962-1981	2:00 p.m.
West Haven, Conn.	1,860,000	1962-1981	11:30 a.m.
Aug. 23 (Wednesday)			
East Grand Rapids S. D., Mich.	3,700,000	1963-1989	7:30 p.m.
Fairfax, Va.	1,200,000	1963-1991	11:00 a.m.
Grand Island, Neb.	2,000,000	1962-1976	7:30 p.m.
Huntington & Babylon CSD 5, N.Y.	4,013,000	1962-1990	11:00 a.m.
Kansas City, Mo.	4,034,000	1962-1981	2:00 p.m.
New Rochelle, N. Y.	2,900,000	1962-1981	11:00 a.m.
Aug. 24 (Thursday)			
Glendale, Calif.	3,250,000	1962-1981	2:30 p.m.
Groton, Conn.	1,276,000	1962-1981	2:00 p.m.
Pinal County Elec. Dist. 3, Ariz.	2,250,000	1991	11:00 a.m.
West Springfield, Mass.	1,000,000	1962-1981	11:00 a.m.
Aug. 28 (Monday)			
Bedford School District, Ohio	1,800,000	-------	-------
Collingswood Sch. Dist., N. J.	1,600,000	1962-1980	8:00 p.m.
Aug. 29 (Tuesday)			
Conroe Indep. Sch. Dist., Texas	2,435,000	1962-1976	7:30 p.m.
Emerson Sch. Dist., N. J.	2,300,000	1963-1984	8:00 p.m.
Macon, Ga.	5,000,000	1962-1991	Noon
San Diego Unif. Sch. Dist., Calif.	20,000,000	1963-1982	-------
State College A & MA, S. Dak.	1,700,000	1964-2001	2:00 p.m.
Aug. 30 (Wednesday)			
Islip, New York	1,940,000	1962-1981	11:00 a.m.
Aug. 31 (Thursday)			
Fort Lauderdale, Fla.	5,000,000	1962-1990	10:00 a.m.
Rochester, N. Y.	6,930,000	1962-1973	11:00 a.m.
Sept. 1 (Friday)			
Chatham County, Ga.	1,000,000	1966-1990	11:00 a.m.
Sept. 5 (Tuesday)			
El Paso County, Texas	1,750,000	-------	-------
Sept. 6 (Wednesday)			
St. Paul Porth Authority, Minn.	2,500,000	1964-1991	Noon
Sept. 7 (Thursday)			
Gettysburg School Authority, Pa.	1,465,000	1963-1991	8:00 p.m.
Peoples Community Hospital Authority, Mich.	1,550,000	1963-1990	8:00 p.m.
Sept. 12 (Tuesday)			
Sacramento, Calif.	8,000,000	-------	-------
Springfield, Mass.	3,000,000	1962-1986	11:00 a.m.
Suffolk County Water Auth., N. Y.	4,500,000		
Sept. 13 (Wednesday)			
Harris Co., Houston Nav. Dist.,Tex.	9,000,000	-------	-------
Los Angeles Dept. of W. & P., Cal.	15,000,000	-------	-------
Sept. 15 (Friday)			
Franklin U. H. S. D. No. 2, Wis.	1,100,000	-------	-------
Sept. 19 (Tuesday)			
Milwaukee, Wis.	7,250,000	1962-1976	10:30 a.m.
Sept. 20 (Wednesday)			
Atlanta, Ga.	5,300,000	-------	-------
Sept. 28 (Thursday)			
Indianapolis, Ind.	2,200,000	-------	1:30 p.m.
Sept. 29 (Friday)			
Minneapolis, Minnesota	3,400,000	1989	4:30 p.m.
Oct. 10 (Tuesday)			
Los Angeles City Col. Dist., Calif.	7,500,000	-------	-------
Los Angeles U. S. D., Calif.	27,500,000	-------	-------
Nov. 1 (Wednesday)			
Commerce, Texas	1,082,000	-------	-------
Nov. 14 (Tuesday)			
Los Angeles Flood Control D., Cal.	15,000,000	-------	-------
Dec. 12 (Tuesday)			
Los Angeles Co. Hosp. Dist., Calif.	3,781,000	-------	-------

Calvideo Elect. Stock All Sold

J. K. Norton & Co., New York City, reports that its recent offering of 100,000 common shares of Calvideo Electronics, Inc., at $3 per share, has been all sold. Proceeds will be used by the company for the repayment of debt and working capital.

The company's headquarters are located at 18601 S. Santa Fe Ave., Compton, Calif.

Atlas Securities Formed

Atlas Securities Corporation is engaging in a securities business from offices at 200 West 34th St., New York City. Bernard J. Gomber is a principal of the firm.

Form Frank Warner Corp.

(Special to THE FINANCIAL CHRONICLE)

MINNEAPOLIS, Minn. — Frank Warner Corporation is conducting a securities business from offices in the Northwestern National Bank Building.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

Theodore I. Salamon has been elected Executive Vice-President and a Director of **Commercial Bank of North America, New York,** it was announced Aug. 17 by G. Russell Clark, Chairman of the Board.

Theodore I. Salamon

Prior to joining Commercial Bank of North America, Mr. Salamon was for many years Vice-President of **Bankers Trust Company, New York,** in charge of its Broadway and 24th Street office.

* * *

Appointment of John F. Adams as an Assistant Vice-President of **Manufacturers Trust Company, New York,** was announced Aug. 10 by Horace C. Flanigan, Chairman of the Board.

Mr. Adams joined the Bank in 1952. He was appointed to an Assistant Secretary in 1954 and is assigned to the Bank's Security Analysis Department, located at 44 Wall Street, New York.

* * *

The promotion and transfer of Herbert K. Baskin, Vice-President, was announced, Aug. 15, by William H. Moore, Chairman of the Board of **Bankers Trust Company, New York.** Mr. Baskin will head the bank's 1107 Broadway office. Herbert A. Sandler, Vice-President, will succeed Herbert K. Baskin as head of the bank's 39th Street and 7th Avenue office.

Mr. Baskin joined the **Public National Bank & Trust Company, New York,** in 1929. He was named a Vice-President of that bank in 1953 and joined Bankers Trust Company in 1955 when Bankers merged with the Public National Bank.

Mr. Sandler joined the Public National Bank & Trust Company in 1948. He was named a Vice-President of that bank in 1952 and joined Bankers Trust Company in 1955 when Bankers merged with the Public National Bank.

* * *

Dana S. Creel has been elected a Trustee of the **Seaman's Bank for Savings, New York.**

* * *

National Bank of Westchester, White Plains, N. Y., announced Aug. 10 the appointment of Philip D. Hollis, Jr. as Vice-President in charge of personnel.

* * *

The First Camden National Bank and Trust Company, Camden, New Jersey, increased its common capital stock from $2,756,250 to $2,894,062.50 by a stock dividend, effective Aug. 2. (Number of shares outstanding 463,050 shares, par value $6.25.)

* * *

The First Pennsylvania Banking and Trust Company, Philadelphia, Pa. elected the first woman Vice-President in its 179-year history. She is Mrs. Esther Jackson Krewson, who is Director of the bank's advertising and public relations. Frank A. Itgen, Jr., who heads the consumer marketing and services division of the retail banking department, was also elected Vice-President at the meeting of the bank's Board of Directors.

* * *

A merger certificate was issued on Aug. 2 by the Office of the Comptroller of the Currency approving and making effective as of the close of business Aug. 2, the merger of **The Citizens-Waynesboro Bank and Trust Company, Waynesboro, Virginia,** with common stock of $200,000, into **The Peoples National Bank of Charlottesville, Charlottesville, Virginia,** with common stock of $2,413,355. The merger was effected under the charter and title of "The Peoples National Bank of Charlottesville", with capital stock of $2,688,355, divided into 537,671 shares of common stock of the par value of $5.00 each.

* * *

O. Paul Decker, President and a Director of the **National Boulevard Bank of Chicago, Ill.** since 1956, died Aug. 15 at the age of 58.

At his death, Mr. Decker was also a Director of the **Glencove National Bank.**

He joined the **American National Bank and Trust Company of Chicago, Ill.** in 1930.

* * *

The Office of Comptroller of the Currency issued a charter on July 28 to the **Franklin National Bank of Minneapolis, Minneapolis, Hennepin County, Minnesota.** The President is J. A. Price and the Cashier is William J. Ryan. The Bank has a Capital of $200,000 and a Surplus of $400,000.

* * *

The Bank of California, N. A., San Francisco, California, has received approval from supervisory banking authorities to establish an office in Menlo Park, it was announced Aug. 10 by Edwin E. Adams, President.

The new office, scheduled to open early this October at 716 Santa Cruz Avenue, will be managed by Joseph A. Henske, Jr.

Mr. Henske joined The Bank of California in 1947.

Howard A. Jalving has also been named Manager of The Bank of California's Palo Alto office, it was announced Aug. 10 by Elliott McAllister, Chairman of the Board. He succeeds Joseph A. Henske, who will assume the management of the Bank's new Menlo Park office.

* * *

By a stock dividend the **City National Bank of Beverly Hills, Beverly Hills, Calif.,** increased its common capital stock from $6,075,325 to $6,379,090, effective Aug. 1. Number of shares outstanding 1,275,818 shares, par value $5.)

* * *

Organization of the first mutual savings bank in Alaska, has been completed. The new institution is to be called the **Alaska Mutual Savings Bank, in Anchorage, Alaska.**

A loan from the new central industry fund of the National Association of Mutual Savings Banks will match some $100,000 raised by Alaskan business men, to provide required reserves. The fund was created in May to aid the formation of new Mutual Savings Banks.

Carl Rentschler has been named Chairman, and Ron L. Rettig, President. Among the nine trustees are Daniel E. Stoddard, President of the **People's Savings Bank of Providence, R. I.,** and Dr. Grover W. Ensley, Executive Vice-President of the National Association of Mutual Savings Banks.

Purchased San Juan, P. R. Bonds

Five banking groups submitted bids (Aug. 9) for $5,000,000 San Juan, capital of Puerto Rico bonds. Chase Manhattan Bank, Morgan Guaranty Trust Co. and Associates, including Banco de Ponce, were successful bidders at an interest cost basis of 3.82%. Shown (left to right) John De Milhau, Vice-President, Chase Manhattan Bank; Francis Bowen, Senior Vice-President, Government Development Bank for Puerto Rico; and Ugo J. Lisi, Vice-President, Banco de Ponce.

With Smith, Moore & Co.

(Special to THE FINANCIAL CHRONICLE)

ST. LOUIS, Mo.—Charles G. Lumaghi has become associated with Smith, Moore & Co., 509 Olive St., members of the New York and Midwest Stock Exchanges. Mr. Lumaghi, who has been in the investment business in St. Louis for many years, was formerly with Cruttenden, Podesta & Co. and Dean Witter & Co.

W. S. Friedman Forms Co.

WASHINGTON, D. C.—William S. Friedman is engaging in a securities business from offices at 501 13th Street, N. W. under the firm name of William Friedman & Co.

Brand Opens Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Maine—Earl Brand is engaging in a securities business from offices at 195 Middle Street, under the firm name of Earl Brand Management Company.

Allen, Rogers Co. Formed

NEWTON SQUARE, Pa.—Allen, Rogers & Co. is conducting a securities business from offices at 307 Earle's Lane. Partners are Edward B. Allen, Jr. and Douglas H. Rogers. Both were formerly divisional sales managers for Waddell & Reed, Inc.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Some Observations Pertaining to the Servicing Of Speculative Accounts

(Fourth in a series of articles)

Possibly most people believe that once in a while they can be fortunate and pick up a bargain. The instinct that impels us to strive to make an advantageous purchase is universal. But there is a difference between a person who carefully selects his prize and one who is motivated by a desire to "get something for nothing." The investment salesman must differentiate between these two types of individuals. The following two case histories are typical illustrations of these two groups of speculatively inclined security buyers.

All for Himself

Several years ago I received a telephone call from a man who introduced himself to me over the phone by telling me that he was an accountant and had his office in the same neighborhood as mine. He mentioned that the firm for whom he had done considerable work was bringing out a new issue and he would like to procure some of it. I was impressed by his suggestion that he would appreciate anything I could do for him and I invited him to call at my office that afternoon. I immediately investigated and found that his information was correct. There was going to be a public offering of stock, and it appeared that the issue would be extremely popular since it was the first public offering of stock in a local company with a good past reputation.

Usually in cases of this kind it is advisable procedure to allocate attractive "new issues" to your regular clients. However, in this instance, this man informed me that he was told to contact me by one of my regular customers. He also mentioned that since our offices were so close to each other that it would be convenient for him to send me other business since he often was in a position to recommend a broker to his friends.

The new issue came to market and I obtained a small allotment; half of which I confirmed to the accountant. The stock promptly doubled in price and after several months and I didn't hear from him, I gave him a telephone call. He was very polite and cordial, and again he reassured me that whenever he had other business I would certainly hear from him. I called him several times but never got another order and finally wrote him off completely.

Several months ago I was having lunch with another representative of a competitor firm that also has its office near mine. Looking up we noticed that the accountant was seated near by. We both nodded and he reciprocated with a big smile on his face. "George," I said, "do you know that fellow?" "Sure do," replied my friend. "He came in to see me about two years ago and asked me to get him some XYZ common and I was chump enough to confirm 100 shares to him. He promised me some business but I never got it. I understand he worked that same trick on several other brokers." "Shake hands," said I, "we both belong to the same club."

Guidance Needed

There are others who are conscientious and sincere but who are uninformed regarding speculative situations. These individuals can become good clients. I once did business with a retired investor who bought securities for income. He owned some mutual funds and sound investment common stocks but one day he became intrigued by an advertisement that offered a very high return on certain mortgage collateral notes. The rate of return was 10% but he decided to investigate and he called on me for an opinion.

Since it was a local company, I was able to obtain a statement, and also check up on its operations and the men who were operating the company. I discovered that the assets were very limited and also consisted of some very dubious property. Among these assets were some questionable second mortgages that I rightfully guessed were acquired at huge discounts, and almost a third of the assets consisted of an equity in a single piece of property that was possibly greatly over-valued. The entire thing looked very dangerous to me and unsuitable for investment or speculation.

I advised my client to steer clear of it despite the extremely high return which was offered. He did so and about six months later the company folded and its officers were subsequently indicted.

Quite often, well meaning but uninformed people will be attracted by high yields on stocks and they do not realize that there is usually a reason for the high rate of return. Later the dividend is cut, or omitted completely, and the high return was only a forecast of what was to come. These people, as well as those who, like my client, are intrigued by offers of a very high rate of return, can often be persuaded to take a more conservative approach toward their investments. Like all of us, they want to make a "good buy" but they also have the common sense not to take chances if it might mean "good-bye" to some of their hard earned capital.

Time invested in cultivating clients who may wish to speculate because they believe they may obtain an intelligently selected bargain once in a while is well worth while. But the salesman who wastes his time befriending such people as my accountant with his promises had better expend his energy and talent elsewhere.

Westheimer Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio — Jules B. Mayer has been added to the staff of Westheimer & Company, 326 Walnut Street, members of the New York and Cincinnati Stock Exchanges. He was formerly with A. E. Aub & Co.

G. M. Curtis Opens

George M. Curtis is conducting a securities business from offices at 55 West 42nd Street, New York City.

R. H. Mayer Opens

Richard H. Mayer is engaging in a securities business from offices at 110 East 42nd Street, New York City.

Three With Hayden, Stone

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Jon D. Arnett, William B. Cook and Rose M. Hewlett have joined the staff of Hayden, Stone & Co., 611 Wilshire Boulevard. Mr. Arnett was formerly with Dean Witter & Co., Mr. Cook with Lester, Ryons & Co. and Miss Hewlett with Harker & Co.

DIVIDEND NOTICES

DIVIDEND NOTICES

THE MARKET . . . AND YOU

BY WALLACE STREETE

Stocks lolled around in a consolidation phase for the most part this week. This was also the pattern followed early the week before, until enough mild buying showed up to carry the Industrial Average to a new all-time high in the final session.

Traders were cautious and not because of events in Berlin alone. For one, the list looked tired after it had sprinted ahead robustly early this month. The vigor, to some, was enough for the present so that little more could be expected of the Industrial Average for the rest of the summer.

Industrial production reached a new record high but how much this had been discounted in advance is moot. And it will take some weeks yet before it is apparent how much better the economy will fare in the fall, and sufficient to form a more solid basis for market predictions.

Corrective Rest Indicated

In the meanwhile at least a rest, and possibly something approaching a correction, could be indicated. For eight sessions the industrial average had lolled in a range of a tight half dozen points. To expect it to stay for long in such a limited trading area would be unwarranted. Even during the long June-July stalemate when it hovered in a trading range for an unusually long period, it had a range of some 26 points in which to wander.

Rails Comatose

If the industrial average was hobbled, that of the rails was comatose. Except for one session when it tried without much success to scale the 140 area, it held in the 139 bracket for eight out of nine sessions — meaning all that time without showing a swing of as much as a full point. And that was in a period when the senior average reached 720 for the first time in history and, a week later, nudged the record peak to 722.

If the market action was nil, the rails were at least getting back some followers. While it is realized that stringent economies in the transportation field during a recession couldn't be expected to offset the rapidly declining business volume, once the turn comes, earnings would be highly leveraged. The improvement would be startling until the expansion of facilities made necessary by the higher volume started to cut into the profits, or so the argument goes.

New Haven's Impact

The roads that were still quality ones were not able to shake off the depressing effects of the New Haven bankruptcy, and the sad state of the Eastern carriers generally. Even Southern Pacific, beneficiary of a glowing magazine analysis, wasn't able to show any determined market action and, in fact, has held all year in a range of only a shade more than half a dozen points.

Santa Fe, like Sopac, has important non-rail interests including uranium deposits on a portion of its territory along with interests in oil, lumber, coal and real estate. On the basis of its payout last year, the indicated return runs to 5½% which, in the light of the industrial yields available on quality items, is distinctly generous. In fact it runs about double the return on an industrial equity that offers anything in the way of growth.

Santa Fe's picture is far from being the same as that of Eastern roads with their commuter troubles. Its area is growing in both population and industry and its dependence on agricultural traffic is decreasing steadily as industrialization increases in its service area.

Listed Insurance Issue At a Discount

Off and on there is widespread interest in insurance company stocks, but few of these are available in listed trading. One exception is Continental Insurance which is one of the giants in the field but has had a mundane market life.

It has been plagued, as have others in the field, with unsatisfactory results in its automobile insurance underwriting. In addition, Continental is dedicated to conservative accounting which is slowly being changed to the systems used more generally in insurance circles. Some researchers have figured that its $34 million underwriting loss of last year would have been only $10 to $15 millions if it had used accounting procedures currently in effect.

Continental actually represents something of an investment company. Its top grade investments showed an increase in value of some $84 millions during the first half of this year when it was reporting a four-month operating loss of $1.3 million, or double that of the comparable period last year. Meanwhile investment profits were $3.7 million and investment income up almost $200,000 over the year ago level.

Meanwhile the stock is available at a discount of some 30% from its book value of around $87 a share, offering an above average yield of better than 3½%. Furthermore, because of new accounting methods and internal reorganization, it is considered by its followers as being at a point where its earnings picture could change drastically. There are some indications that the company is considering entering the life insurance field where it is not now a factor. This would also put it in position to enhance its operating results significantly.

Oil Earnings Improve

Oils, generally, have been showing the brighter earnings comparisons for the first half of this year. This has been of limited help to the market prices of oil companies generally, and none to Sinclair Oil which has had more than its share of problems including price squeezes in domestic markets and unpredictable and costly shifts in Venezuelan taxes over the last couple of years.

Sinclair, in trying to increase its domestic crude position and lessen its dependence on Venezuelan crude, has had to lay out substantially higher totals for exploratory work as well as for reserves of other companies in recent years.

Some of the benefits are starting to show, including a jump of more than a fourth in revenues from natural gas last year plus expanded participation in the petrochemical field to upgrade refinery byproducts to a more profitable level. It had strike troubles in this year's second quarter to keep its earnings outlook clouded. With prices firming and some of the problems at least diminished, Sinclair is expected to show a good increase in earnings for the full year, and this gives it the prospect of being an issue selling at only about 10 times earnings and with a yield approaching 5%. The low ratio and high yield are further bolstered by a market price that has only steadied slightly above its low which represented less than half of its peak price of five years ago. At the very least, it is not, on the surface, an overvalued oil equity.

Drugs' Growth Possibilities

Drugs have been following an uncertain market course ever since the price hearings in the nation's capitol threw a cloud over the industry. While not statistically cheap, the drug shares available still represent participation in a rapidly growing field.

Pfizer, for one, has been concentrating on overseas expansion which has been costly. It had been more concerned earlier with broadening its domestic horizon, and had emerged by some estimates as the company with the broadest pharmaceutical line of any in the industry.

The expansion to overseas markets was pursued vigorously, and by last year sales from these markets had risen to nearly half of its total sales. At that level some of the reinvestment abroad of its foreign earnings could be expected to slow and lead to increased dividends sent home from its international subsidiaries. If so, this company where sales expansion has not been matched by its profit improvement could be on the verge of a significant improvement in the latter.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

With Globus, Inc.

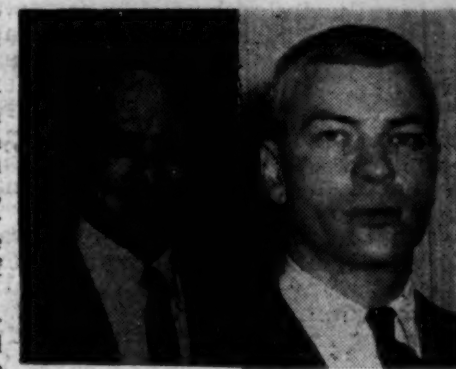
Erwin J. Gersten and George Vittoria have become associated with Globus, Inc., 660 Madison Avenue, New York City. They were formerly with S. Schramm & Co., in the capacity of syndicate manager and sales manager, respectively.

Irving Shapiro Opens

BROOKLYN, N. Y.—Irving Shapiro is engaging in a securities business from offices at 1925 Nineteenth Lane under the firm name of Irving Shapiro Co.

May & Gannon Elects V.-Ps.

BOSTON, Mass.—May & Gannon, Inc., 140 Federal Street, one of the largest over-the-counter trading firms in New England, announced



John McCue Richard E. Murray

that John A. McCue and Richard E. Murray have been elected Vice-Presidents and directors of the firm.

Mr. McCue has been associated with the firm since 1941. He is past President of the Boston Security Traders Association.

Mr. Murray, Manager of the firm's research department, has been with the firm since 1951. He is President of the Boston Investment Club, and a member of the Boston Security Analysts Society.

Carreau to Admit New Partner

Carreau & Co., 115 Broadway, New York City, members of the New York Stock Exchange, on September 1st will admit Thomas S. Crow to partnership.

Named Director

Dr. Richard Donham, dean of the Business School of Northwesern University has been elected to the board of directors of Television-Electronics Fund, Inc. He replaces Herbert H. Taylor, Jr., who has resigned.

How Leading Authorities View Outlook for the Railroad Industry

Continued from page 1

table means. The Commission, in its most recent decisions of this character (Docket No. 32533, *Eastern Central Motor Carriers Association, Inc.* v. *Baltimore and Ohio Railroad Company, et al.*, June 19, 1961) approved certain rail rates on loaded or empty trailers and containers moving in Plan III and Plan IV trailer-on-flatcar service. The Commission recognizes the increasing threat to all regulated common carriers of diversion of intercity traffic into unregulated, sometimes illegal, channels, and it favors suitable innovations by the regulated carriers designed to improve their relative position and thus strengthen the ability of the national transportation system to serve the public.

The railroads' passenger operations continue to be generally unprofitable and to absorb a sizable proportion of earnings from freight operations. No simple or immediate remedy is in prospect. There is, however, a growing recognition of the need for a coordinated local, State, and Federal approach to this problem, particularly in the commutation area.

Many railroads are engaged in an intensive effort to reduce duplicate facilities and otherwise reduce costs by consolidation of individual operating properties. Unification proposals involving major railroads which are now pending in the Commission include the New York Central and Chesapeake and Ohio applications to acquire control of the Baltimore and Ohio; the application of Southern Pacific and the Santa Fe to acquire control of the Western Pacific; an application for authority to consolidate into a new company the Great Northern, Northern Pacific, and Chicago, Burlington and Quincy, and for the new company to lease the Spokane, Portland and Seattle; the proposed merger of the New York, Chicago and St. Louis into the Norfolk and Western and lease of the Wabash by the latter; merger of the Atlantic Coast Line into the Seaboard Air Line; and application of the Southern Railway Company to control the Central of Georgia. These proposals involve some of the most vital segments of the railroad network and may, at least in some instances, offer possibilities for savings to the carriers, improved service to shippers, and a more efficient national transportation system.

CARL A. BICK

President, Monon Railroad

Though long overdue, there seems to be a feeling of more certainty about business recovery before the end of the year. We don't expect anything sudden and don't plan with that in mind, but we do observe minor spurts which we believe will soon become a continuous chain or trend.

Carl A. Bick

With the granting of a guaranteed loan our own position becomes more bright for the future since it will enable us to proceed with some long-range plans that will result in tonnage never before handled and be of real benefit to the welfare of our company. Just how much additional business we will so obtain is unknown at this time, but careful study gives assurance the project will be highly successful and will be the source of accelerated tonnage.

In view of the predicament experienced by many other lines we feel certain Government will come to realize sooner or later that drastic measures of relief must be adopted lest the industry be destroyed which would be a grave error.

As a stimulant to the industry, property taxes should be greatly reduced. This need only be to the extent of equality of treatment for all. Depreciation rates too need modernization.

Complete freedom from regulation does not appear to be the sole solution to the growing predicament of the railroads because that could lead to utter chaos. However, licensing of operations, each mode to its own field, might be a more sensible approach. Certainly the farm exemption and bulk commodity rules have done more to divert tonnage from all regulated carriers than almost any other feature. It is difficult to understand why Government has not offered a prescription for the preservation of one of its first lines of defense—our railroads.

JASPER A. BERLIN

President, Northwestern Motor Co.

Our opinion relative to the outlook of the railroad equipment industry for the remaining four months of this year may not carry much weight, for we are a small manufacturer.

However, we firmly believe that the manufacturer with new time-saver and economical products will do well anytime, and especially for the balance of this current year. There must be a reason and need for such products, otherwise, railroads are not interested.

As an example, during the past two years, we have devoted considerable time and investment in the development of three interesting pieces of equipment. Namely, a multiple pneumatic tamper, spike driver, and a brush cutter. All three pieces have received excellent acceptance.

Our most revolutionary product is the brush cutter. It looks like a huge "grasshopper" going down the track, cutting simultaneously on both sides from the rails. It cuts at all angles and reaches out 21 feet. It cuts anything and everything of brush up to 6½ inches in diameter.

On demonstrations, we have proved that in hours with two operators and one laborer, it can cut more brush than a whole crew can do in days. This is truly a revolutionary piece of equipment for brush control.

Nineteen sixty-one will be a good year. We look for increased sales activity for the balance of the year. When the railroads' 1962 budgets are released, there is a feeling in the industry that 1962 can be a big year for everyone.

New ways of doing things better are a must. There will be little need for concern if management recognizes this and does something about it. We are an old company, but our young engineers are constantly searching for new and better ways to serve the railroads.

HARRY A. DeBUTTS

President, Southern Railway System

While only the very bold are predicting unreservedly that the Sixties may yet soar, it seems apparent to most observers that recovery from last year's slump is under way.

Harry A. Debutts

Particularly is this true in the South, where the smokestacks and water towers of new industrial developments are being raised daily in illustration of the sense behind the Southern Railway System's suggestion to "Look Ahead — Look South!"

Significantly, the South's industrial growth is diverse. Represented are developments in the chemical, electrical, paper and foods processing industries, in investor-owned power facilities, and in all the many allied and subsidiary fields, such as warehousing, research and transportation. In almost every category of business improvement, the South continues to lead the national rate of growth.

A substantial part of this total development is occurring along Southern's lines. As of July, concrete plans had been made for the development of 126 new industries, large distributing warehouses and major plant additions along Southern trackage. When complete, these developments will have created nearly 5,000 new jobs.

"The Southern Serves the South," we say, and so the railway is deeply committed to matching these industrial strides with cumulatively giant steps of its own. And the railway's intention is to do this at less cost to the shipper, hence at less cost ultimately to the individual consumer.

This, and the Southern's aggressive demonstration of its own vast capacity and capability, has led the railway into the development of new types of specially-designed freight cars, into vigorous participation in containerization, into the creation of new administrative posts and consolidation of established procedures, into continued improvements in communications, and into a search for other ways in which railroad service can be rendered better and, whenever possible, more cheaply.

A fleet of high-capacity aluminum cars of gondola and covered-hopper types are being used to offer lower rates on volume movements of bulk commodities. Southern-developed "Super-Cushion underframe" box cars, all-door box cars, and cars specially designed to haul wood chips, are other examples of rolling stock designed with customers' needs in mind.

In containerization, Southern is combining the best features of low-cost, dependable rail movement with those of flexible, over-the-highway carriage, with the result that overnight, door-to-door service is now available to many shippers and receivers whose freight was previously in transit several days. In related administrative moves, Southern has created the post of Assistant Vice-President in charge of coordinated rail-highway operations, and the position of Freight Traffic Manager, rail-highway rates.

The Southern is moving rapidly ahead on installation of its microwave system along the main line from Washington to Atlanta, and much more is planned. A centrally-monitored hot box detector system is now in operation with trackside detector units at 83 different locations.

While hearings progressed on Southern's proposal to buy the 1,956-mile-long Central of Georgia, the railway offered to purchase the 329-mile-long Georgia and Florida Railroad.

The sum effect of all this is to make possible tremendous economies through greater facility of movement into more places, and through added payload and reduced handling costs—whether on the railway itself or at the docks of shippers and receivers. The outlook, then, is that in this way and countless others the Southern will continue to serve the energetic South—an area in which the railway has great confidence. And the job will be done to the mutual profit and benefit of all concerned.

The railroads of the country need greater freedom to develop their traffic potentials and regain financial strength. That is a job for Congress and the President to do soon and do wisely. Meanwhile, the Southern and the South are progressing with the railroad doing its best within the restrictive limits of taxing policies, administrative regulations, and Federal laws that require change before our full strength can be put into the South's service.

EDWARD S. EVANS, JR.

President, Evans Products Company

The midyear outlook for our company is much brighter than it was during the first six months of the year. Our railroad loading equipment business reached its lowest level during the first half, due principally to the recession-caused drop in equipment purchases by the railroads. Our open orders and prospective orders for railroad equipment indicate that this product group will show considerable improvement during the second half.

E. S. Evans, Jr.

Sales of the company's other products were also better than those for the first quarter and the upward trend is expected to continue during the second half. In addition to railroad loading equipment Evans manufactures plywood, hardboard, battery separators, bicycles and other wheeled goods, truck heaters, curtain wall building panels, insulated truck bodies, metal-faced plywood, office partitions and architectural doors. Sales of our building materials warehouse subsidiary are also on the upswing during the second half of the year.

The railroads have been called "the nation's sickest major industry" and much has been written about their problems, including archaic union work rules, out-of-date ICC regulations, excessive taxation by state and local governments, and unprofitable commuter runs. Although I have no desire to minimize these problems, I would like to call attention to an area, about which little has been written, in which U. S. railroad management could increase the railroads' profits considerably without having to negotiate with governmental bodies or bargain with union officials. I refer to the area of preventing damage to lading shipped in railroad freight cars. It is my belief that the railroads could add many millions to their profits annually by increasing their investment in devices designed to prevent damage to lading. For the past five years, American railroads have had to pay annually well over $100 millions in damage claims, plus many millions more to administer those claims. Most of this yearly outlay could be eliminated by wide use of damage-free devices that restrain loads from shifting in transit.

There are few areas left to the railroads in which they can effectively cut costs and increase their profits and the reduction of damage claims is certainly one of them.

Aside from the savings a substantial increase in specially-equipped damage-prevention cars would bring, the rails would benefit from good will from shippers and receivers who prefer damage-free cars because they permit full capacity loads, save loading and unloading time, and make it unnecessary for the shipper to pay for "deadhead" dunnage. Devices made by Evans and others in the railroad loading equipment field pay for themselves in less than a year. An Evans DF Loader, for example, raises a box car's revenue from an estimated $4,000 to $12,000 a year. The average cost of such a device is less than $2,000.

Government action to help our nation's railroads is desirable and should be forthcoming. In the final analysis, however, with the rails as in every business, management must look for ways and means to cut expenses and thus add to profits. Substantial additional profit can be made available to railroads if they will increase their investment in devices to prevent damage to lading shipped in freight cars.

FRANK S. FENTON

Division Manager, OMC Engines & Equipment Division, Midland Railroad Accessories

It is our opinion that the railroad industry in general has not displayed any vigor nor a great resurgence in activity throughout the preceding 12-month period. Continual program alterations, extended merger discussions and an evident desire by many to merely "hold the line" has perceptibly limited the growth activity for the year.

Frank S. Fenton

As a participating supplier to the entire industry, we sincerely feel that a concentrated effort is now being initiated at the various management levels of most roads in an effort to improve the efficiency of their various operations. We also believe that the improvement in the general economic activity in the country will create a resurgence of freight business for the industry. Although equipment and renewal expenditures must be considered as having been stagnant in 1960, we believe that in view of the probable upsurge the managements of the various roads are anticipating a "recovery" and have improved their maintenance programs, facilities and equipment to accept the increased activity in a profitable manner.

Our own endeavors throughout the past year have primarily been directed toward the improvement and expansion of our various product lines with the hope of creating increased requirements for the equipment of

our manufacture from the industry. Major development has been a design and production of two new aluminum die cast, 4-cycle gasoline engines. Considerably lighter in weight, smaller in size and competitively priced, these engines—one a 9-HP unit and the other an 18-HP unit—will have many applications in the new and replacement markets in the industry. The design of this equipment has been generally dictated by the requirements of many of the roads for engines with lower maintenance costs and improved performance characteristics, both of which we have effectively achieved in these new engines.

Secondly, we have added a supplementary series of equipment to our car door hanger line. Customer requirements for specialty devices of this nature made possible this extension of our equipment that will be employed in this series of applications, and we are consequently enabled to offer to the roads a single source for all car door hanger devices involved in general installations.

To date we have received encouraging indications from our national and international accounts that an upturn is anticipated in general service activities in the industry. Predicated on this analysis and supplemented by our own marketing research efforts, we are of the firm opinion that a slightly healthier improved business atmosphere should pervade the railroad industry in the forthcoming 12-month period.

F. S. HALES

President, Nickel Plate Road

Since World War II, non-regulated carriers—many of them industrial shippers—have increased their volume of business, measured in ton-miles, by 123%, compared to a rise of only 22% for regulated carriers—railroads, trucking companies, airlines and barge fleets.

Felix S. Hales

Senator Warren G. Magnuson, Chairman, Senate Commerce Committee, recently said that last year only 30% of the total transportation movement was on common carriage.

This diversion of traffic presents a tremendous challenge to all common carriers. To meet this competition, the railroads must build larger and stronger systems that can do a better job in getting freight from origin to destination quicker, cheaper and more efficiently.

The industry also urgently needs legislation permitting freedom to diversify, freedom from discriminatory taxation, freedom from stifling regulation and freedom from subsidized competition.

Only when we have equality of treatment among all modes of transportation can the public obtain the type of efficient and economical transportation that our dynamic economy and the country's defense requires.

Nickel Plate's carloadings for the first six months of 1961 were 20% below those for the same period last year. A moderate pickup in business was experienced during May and June, and it is anticipated the trend will accelerate during the remaining months of the year.

Gross revenues for the first half of the year aggregated $62,388,000 and net income was $4,133,000, or $1.00 per share, which may be compared with gross revenues of $77,181,000 and net income of $6,159,000, or $1.47 per share during the first half of 1960.

With the ever-increasing population in our country, the demands for transportation service will grow, and we on the Nickel Plate are optimistic about the future of the railroad industry and particularly the Nickel Plate.

ALLEN J. GREENOUGH

President, Pennsylvania Railroad

Any realistic appraisal of the outlook for the railroad industry for the balance of 1961 and beyond must begin by taking note of the plight of the Eastern sector of the industry. For the first five months of this year, the Eastern roads operated at a deficit of $106 million, as against earnings of $29 million by the Pocahontas roads, $22 million by Southern lines and $72 million by the Western carriers. While final figures for the first half of the year are not yet available, it is doubtful that this alarming discrepancy between the East and the rest of the industry has materially changed.

Allen J. Greenough

Less conspicuous to outsiders, but of special concern to the financial and other top officers of Eastern roads, is the dangerous depletion of working capital their segment of the industry has been experiencing. As of April 30 of this year, there was an adjusted working capital deficit of $268 million—a worsening by $107 million since the start of the year. Adjusted working capital excludes supplies and materials and includes debt due within a year. Thus it is considered an unusually reliable indicator of the financial climate within the industry.

In short, despite the continuing relative prosperity of a few railroads, the industry as a whole — and as a supplier of nationwide transportation it is necessarily an entity—is experiencing the most dangerous period in its history. As indicated above, the poor showing of the Eastern lines reduced the industry's net for the first five months to $17 million, as against the $195 million earned in the first five months of the recession year of 1960. One large Eastern road, the New Haven, is already in bankruptcy, and several others may not be far from it. Nor is relief from debt service likely to be enough to keep such roads running, as was the case with many of the railroad bankruptcies of the 1930s. There just won't be sufficient revenues to cover expenses; some other source of cash will have to be found.

Unfortunately Washington, though aware of the situation, is still talking in terms of studies instead of the immediate action which is needed. The railroads have been "studied" for forty years and more: the need is for quick release from passenger deficits, over-regulation, over-taxation, featherbedding, and one-sided subsidy to competitors. Nor could the need for cost-cutting, business-stimulating mergers be more clear than it is today. Yet here is another area where, after repeated promising beginnings, Washington is dragging its feet.

Since this blind behavior by government weighs with special force on Eastern roads—though the rest of the industry is beginning to feel it, too—it would be false optimism for the Pennsylvania to expect even a quick end to the recession to make 1961 a satisfactory year for it financially. However, reasonably quick and substantive action by Washington on the long-standing problems mentioned above could change the whole railroad climate, and make 1962 the start of a string of prosperous years for us, for our industry, and for the free enterprise economy generally.

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EDWIN HODGE, JR.

President, Pittsburgh Forgings Company

As a long-time builder, repairer and rebuilder of railroad freight cars—through its wholly-owned subsidiary, Greenville Steel Car Company — and as an old-line producer of forgings for both railroads and general industry, Pittsburgh Forgings Company has a very definite and profound interest in the welfare of the American Railroad Industry.

Edwin Hodge, Jr.

The operating activities of Pittsburgh Forgings Company are so definitely related to those of the nation's railroads that its own outlook is affected more closely by the economic outlook of the railroad industry than by any other segment of the general economy.

The problems of the railroad industry have been the subject of considerable national executive and legislative interest over the past several years. Over the years, Pittsburgh Forgings Company management has consistently supported the efforts made to improve the economic climate in which the railroads operate. It has time and again urged its shareholders and its employees to support sound legislation proposed to relieve the burden placed upon railroad operation by regulations that reflect back to those earlier years when railroads did have a virtual monopoly in inter-city hauling.

Railroad management is fully capable of solving the problems of their industry if tney are given the opportunity to conduct their operations within the framework of modern regulations adapted to actual existing present day facts.

We cannot do without a sound railroad operation in this country Experience has demonstrated that we can't have this under government operation and it can't exist under archaic conditions and regulations.

The problems of our railroads are again to be reviewed with renewed interest by a currently ordered new study of the over-all national transportation situation. I feel that some further good must come out of the facts that are gathered from all of these studies. I am optimistic that the future will show improvement for the railroad industry and that ways will be found whereby the railroads will be able to improve operations with increased carloadings; that they will be able to replace scrapped cars; that they will be able to repair or replace bad-order cars and that they will be able to operate profitably. Certainly there must be provided a better economic climate in which the railroads will be able to compete for a fair share of the nation's freight.

When this happens, Pittsburgh Forgings Company (and its subsidiary, Greenville Steel Car Company) can also look for a substantial improvement in its outlook and in its business. It is ready for such improvement with completely modern production facilities and techniques. The Greenville Steel Car Company subsidiary has a varied line of standard and special purpose freight cars of the most modern design and its skill and equipment enable it to build special freight cars to exact specifications. Especially encouraging are the prospects for such innovations as are found in its lines of recently designed and developed Piggy-Back cars for which we have high hopes.

Greenville Steel Car Company's subsidiary, Greenlease Company, is making its contribution to the conservation of railroad working capital by buying bad-order cars, rebuilding and up-grading them, and then leasing them back to the railroads.

ROBERT S. MACFARLANE

President of the Northern Pacific Railway

With few exceptions, earnings in the railroad industry in the first half of 1961 reflected the continued downward trend in the general economy which began in the Spring of 1960. However, if business the last six months improves, as many economists and analysts have been predicting, Northern Pacific should present a more favorable earnings picture in the last half, compared with the same 1960 period when the traffic volume was susbtantially reduced.

Robert S. Macfarlane

Northern Pacific's first half operating revenues were off substantially, principally because of reduced lumber tonnage along with the slump in the manufactures and miscellaneous category. Grain traffic, an important source of revenue to NP, about equalled 1960 in the first half, but drought conditions in the Great Plains area have cut deeply into the 1961 crop, which will result in a sharp decrease in our grain revenues in the last half. Lumber tonnage for the last half is expected to approximate the last half of 1960.

Partially offsetting loss of grain tonnage in the last half will be a substantial improvement in the movement of fresh fruit and sugar beets and the continued steady increase in the volume of automobiles handled in multi-level racks on flat cars.

Northern Pacific is fortunate, too, in receiving a sizable income from non-rail sources, principally from oil, timber, real estate rentals and dividends from the Burlington. We estimate that the non-rail income for 1961 will be about the same as for 1959 and 1960.

J. C. MIXON

President-General Manager,
Atlanta & West Point Rail Road Co.
The Western Railway of Alabama
Georgia Railroad

Revenues thus far in 1961—freight and passenger—have not been at the level anticipated at the beginning of the year, due to general economic conditions and also to some extent to protracted unfavorable weather conditions. A period of abnormal rainfall, followed by unprecedented floods, starting the latter part of February not only contributed to a diminution of revenues but seriously affected expenses. We are encouraged by optimistic reports indicating an uptrend in the general economy.

J. C. Mixon

Our railroads are well equipped and maintained to quickly step up their services to meet any demands which an expanding economy may make upon them. They are in sound financial condition and have adequate resources to meet and aid in the industrial development of our area, which is most favored by natural endowments to spring forward in any upsurge of expansion, however rapid may be the tempo.

The advantageous position and bright future of this area are attested by much sound growth and development that has continued during recent periods of national recession. We welcome with open arms the further addition of new industries, which is inevitable.

Our year around outdoor climate, fertile soil, bountiful rainfall, with wide vistas of open countrysides and rapidly growing forests give our section of Georgia and Alabama an unsurpassed quality which generates good and gracious living. Its traditionally friendly people are progressive with just enough of natural conservatism to make neighborliness genuine.

R. C. O'KANE

President and General Manager,
Buckeye Steel Castings Co.

The cast steel railway products of The Buckeye Steel Castings Company are related to the construction and repair of railway freight cars. For the last three to four years, railway purchases in this category have been off at least 50% from the 1956-57 levels. As a result, at the present time this company is operating at only 40 to 45% of normal production, which is below the break-even point.

R. C. O'Kane

There are indications of improvement in the general economy and it is expected that railroad activity will return to a better profit level by the end of the current quarter. The fourth quarter should see Buckeye on a profitable basis. This opinion may seem optimistic in view of the experience since 1957, but it is the very existence of this period of restricted railroad buying that makes the future look promising. There is a large backlog of repair and new car construction to be undertaken as their financial position improves if the railroads are to meet the needs of their customers, especially in times of rising world tension and resulting national crises.

Buckeye believes in the railway industry whose management has been extremely aggressive in improving their operations and lowering costs. Railroads are determined to retrieve a substantial portion of their traffic loss forced upon them to a large extent by restrictive and outmoded government policy. We feel that many of the remaining problems can be resolved if the Congress would cease their dilatory tactics of obtaining an endless number of transportation studies, take a realistic look at this urgent matter on the basis of adequate reports on file and not wait for a crisis to develop before action is taken. Congress must pass legislation to relieve the railroads from their unfair position and permit equality of treatment, with freedom from discriminatory legislation, taxation, and subsidized competition. It should also permit the freedom to provide diversified transportation service. Such action would insure their prompt return to their long recognized position as one of the top buyers of material in support of a dynamic economy with widespread benefit to many industries without government subsidy or pump priming.

Company policy and planning is based on the firm belief that the railroads will continue to be the dominant factor in the transportation industry for many, many years. The company's capital expenditure program and research endeavors are directed primarily toward improving the railway products. At the same time, studied efforts are being made to diversify the company's product line to provide the same growth the rails have provided in the past.

Taking all factors into consideration, the immediate outlook is for improved business activity. For the longer term, the economic well-being of the railway supply business will be related directly as always to the well-being of the entire economy. Certainly the average business prospects for the next four years are better than those which prevailed during the four-year period from 1958 through 1961.

HARRY C. MURPHY

President, Burlington Lines

The economy appears to have stabilized, and a modest rise may occur during the second half of 1961. We are hopeful that the year will be, for the Burlington at least, as good as was 1960.

Harry C. Murphy

The railroad's total operating revenues for the first six months of 1961 were $123 million, compared with $120.3 million for the same period of 1960. Net income was $6.2 million, against $5.4 million for the first six months of last year.

Principal traffic increases for the six months ending June 30 were registered in the categories of grain and grain products, paper, petroleum products and sugar.

Addition of new, high-speed freight diesels has enabled the road to reduce the running time of some freight trains, and to maintain schedules with increased dependability. New motive power, plus improved performance by connecting lines, has permitted diversion privileges to be added to some trains which previously lacked such service.

Passenger revenues in 1961 should compare favorably to those of last year which totaled $21.4 million and reached a post-War II peak. An intensive creative sales program has enabled the Burlington to maintain a steady level of total passenger revenues for the past several years.

The pressing need of the Burlington, as of the entire railroad industry, is for the enactment of legislation to eliminate or sharply restrict so-called exempt trucking of agricultural products, or to extend the privilege to railroads; for an increased rate of amortization of equipment and facilities for tax purposes, which will facilitate investment and modernization programs; and for an imposition of realistic user charges upon those transportation companies using facilities built and maintained with tax funds.

ALFRED E. PERLMAN

President, New York Central Railroad

It is a matter of bleak fact that the general business recession has appareciably hurt the volume of railroad carloadings during the first half of 1961. Despite these discouraging early months, the outlook for the remainder of the year is somewhat brighter. Inventories are being replenished, steel production is quickening, foreign trade is prospering and even automobile sales are on the upswing. In short, it would seem that we are moving out of the recession.

Alfred E. Perlman

This increasing business eventually will have a beneficial effect on the railroads' monthly earnings statements. By the final quarter of 1961, earnings should be at a higher peak than they were during a similar period one year ago. But the problem remains that most Eastern railroads will probably move into the black slowly. And since they lost so heavily during the early part of 1961, a major increase in carloadings will be required in order for them to earn a profit for the full year. I am hopeful, of course, for this needed traffic level but it is still too early to say whether it will develop as rapidly as necessary to offset entirely the first half results.

In seeking ways to solve their financial problems, the railroad industry will certainly be concentrating more and more on mergers during the months ahead. Sensible mergers can strengthen the railroads by allowing them to consolidate wasteful duplicate facilities. But the benefits of consolidation can also be completely vitiated if the evolving transportation systems are not evenly balanced in size geographic coverage and economic strength. For combining a few lines at the expense of the others can seriously weaken the roads excluded from merger—thus threatening all rail service in the region.

For these reasons, the New York Central will continue during the coming months to press for a three-way merger of the Central, the Baltimore & Ohio and the Chesapeake & Ohio railroads. We are convinced that this three-way grouping is the only effective system that can meet the challenges presented by the Pennsylvania Railroad's ever-growing empire east of the Mississippi.

In addition to planned merger, the railroads need a revision of public transportation policy that will enable them to fully serve today's economy. For example, railroads should be permitted by law to offer diversified service by rail, highway, air, water—or any combination of the four—according to the speed and price the shipper desires. Greater freedom is also needed in other areas such as competitive pricing.

The need for these changes is urgent because the existing regulatory climate is endangering the very existence of the common carrier. Even now, most of the freight business in the country is handled by private haulers who are able to escape controls.

Fortunately, there are indications that the public is becoming increasingly aware of the need for change. In New York State, for example, Governor Rockefeller and

the State Legislature have enacted legislation that is encouraging to the railroads. Other proposals now pending in Washington can help too.

Provided the railroads are given a fair chance, there is ample reason to be optimistic about their future. For the nation is growing steadily in population and economic output and thus the need for transportation services will certainly be intensified too. Given the opportunity, the railroads will play an important role in this expanding economy.

RALPH F. PEO

Chairman of the Board and President, Houdaille Industries, Inc.

Generally speaking, the equipment modernization and renewal program of rapid transit systems have brought higher levels of production for the railroad equipment manufacturers. This is especially true as cities like New York, Chicago, Philadelphia, and Boston and other metropolitan areas increase their emphasis on rail transportation as a solution to traffic congestion problems.


Ralph F. Peo

Present day expansion of urban and commuter rail systems have placed new emphasis on passenger comfort. Because of this need, Houdaille's ride control devices of both the hydraulic and friction types have been placed on more and more equipment.

Houdaille orders have gone up steadily in the past five years and at the present time the company has a backlog which will hold this type of business at its present level at least through the rest of the year. Several large orders for replacement cars have been responsible for our present business level; we are confident that the business will hold through the year and into 1962 especially if we receive the business we think we will.

While we cannot speak for the whole industry we have found generally that Houdaille's activity follows the overall pattern of the industry that supplies parts to the railroads.

Over and above the sale volume we predict for next year, Houdaille has looked to development of new rail-road products to open up new product areas over the long-term.

The company has had a major role in the industry since the introduction of lightweight passenger cars in the mid-1930s when rotary shock absorbers for lateral and vertical ride control were found to be absolutely necessary.

WILLIAM J. QUINN

President, Chicago, Milwaukee, St. Paul and Pacific Railroad Company

The improved level of business in several segments of the industrial economy has resulted in improved traffic volume and improved earnings on the Milwaukee Road during the first half of 1961. Substantial movement of grain from country storage to terminal areas, increased loading of lumber and forest products, construction materials for missile projects and dam construction and continued growth of trailer-on-flat-car (piggy-back) traffic have all contributed substantially to better traffic volume.


William J. Quinn

Traditionally the Milwaukee Road experiences a better earnings situation during the last half of the year due, in part, to the grain harvest. If the grain and other agricultural products move as we anticipate they will, together with sustained improvement in other segments of industrial activity, we expect the results of operations in 1961 to be substantially better than was the case in 1960.

During 1960, despite the generally low level of business throughout the country, the Milwaukee Road added 775 new freight cars to its fleet and again in 1961 another 750 new freight cars were purchased. The new cars embody the latest features to best meet the needs of the shipping public. These additions, together with participation in nation-wide car leasing arrangements, have placed the Milwaukee Road in a favorable position to meet expanding traffic requirements.

The providing of loading and unloading facilities at many larger trade centers, together with the providing of additional rail and highway equipment, has enabled rapid growth of piggy-back traffic and the movement of new automobiles by railroad.

Expansion of its motor carrier subsidiary and the providing of a co-ordinated rail-highway transportation service has attracted to the Milwaukee Road substantial volumes of traffic moving to dam construction projects and to missile sites construction.

In addition to maintaining a careful control of expenses, the management of the Milwaukee Road has been aggressively progressing the installation of improved mechanical and electronic devices to enable better service to the public and improved efficiency in operations. The installation of a "car spot" freight car repair facility at Bensenville Yard, near Chicago, at a cost of approximately $1,000,000, utilizes the latest techniques in the reparing of freight cars, expediting the handling of

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Krystinel Corp. Class A Offered

Initial public offering of shares of Krystinel Corp. is being made through the sale of 90,000 shares of class A stock at $2.50 per share by Ross, Lyon & Co. Inc., Glass & Ross, Inc., and Schrijver & Co., New York City.

Proceeds from the sale will be used to repay a bank loan; for research and development; for the purchase of new equipment; and for working capital and other corporate purposes.

The company, with offices on Fox Island Rd., Port Chester, N. Y., produces ferrites (ceramic-like materials with magnetic properties), and conducts a research and development program for ferrite products. The company's products are used in the manufacture of radio and television transformer cores, VLF antenna rods, tuning slugs, a variety of line cores, coil forms and other communications equipment.

Upon completion of current financing, outstanding capitalization will consist of 120,000 shares of class A stock and 80,000 shares of class B common stock; 28,000 restricted stock options to purchase class B common stock; 39,500 stock purchase warrants for class A stock; and a $39,950 loan.

R. H. Schlegel Forms Co.

ALLENTOWN, Pa. — Richard H. Schlegel is now conducting his own investment business from offices at 517 Hamilton Street, under the name of R. H. Schlegel & Co. Mr. Schlegel was formerly a partner in Schlegel, Sherman & Hall and prior thereto was with G. A. Shorpe & Co.

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customers' shipments and greatly reducing the cost of repair work.

Regional data centers have been established at strategic points on the entire railroad system as part of a general plan for an electronic computer installation which will go into operation this year. Improved billing and customer services, faster and more accurate handling of data, better management controls and reports will all flow from this improvement.

Several industries have located new plants and facilities on the Milwaukee Road through the services and efforts of the Industrial Development Department. A number of other industries have enlarged their plants served by the railroad. Additional land suitable for development as industrial sites has been purchased and improved to attract more new industrial growth in the communities served by the Milwaukee Road. These activities have all contributed to an improved outlook for both short-and long-term future traffic prospects.

With continued strength in the growth of the general economy the Milwaukee Road looks for a favorable last half in 1961 and a favorable year in 1962.

GLEN RAMSEY

Vice-President and General Manager, Rectifier-Capacitor Division, Fansteel Metallurgical Corp.

American railroads need a fresh opportunity at free enterprise if they are to brighten their outlook. Transportation systems cannot progress properly if they are hampered by undue regulation, destructive taxation, and competitive subsidy. Today, it seems, some arteries of transportation are permitted to flow virtually unrestricted; yet the main arteries . . . railroads . . . are under tourniquet pressures and conditions which they can do little to correct.

Glen Ramsey

Vital Growth Force

Railroads are a part of our American heritage. They have knit us together into a great nation both socially and economically. The industrial revolution of America could not have occurred without railroads. They are still the main artery of mass transportation for our nation . . . and are a vital force in assuring that our nation will continue to grow strong within. Railroads will long continue to be an indispensable part of our American way of life. They should and must be considered in this light.

Transportation Crisis

It's no secret that America's transportation industry is rapidly approaching a crisis. This crisis will soon reach staggering proportions. As the President of the Association of American Railroads, Daniel P. Loomis, so aptly put it recently, "It is no overstatement to say that current government transportation policy is a mess." I agree with him.

We have permitted railroad controls to exist that are no longer justified. At the same time, we have encouraged and subsidized competitive forms of transportation. These competitive transportation systems were and still are favored with a 20th century business philosophy while the railroads are legally saddled under 19th century legislative and operating practices. Why not give railroads the same considerations that other forms of transportation get?

Proper Legislation Needed

The National Transportation Act passed by the Congress two years ago was a step in the right direction. We should return to the free enterprise concept in handling present and future transportation problems. As an interested businessman and citizen I am particularly disturbed by the provisions in the current U. S. Senate Bills 1089 and 1197 and their companion bills in the House of Representatives. To me it is fundamentally inconsistent to create new legislation that penalizes a business in favor of its competitors while existing legislation permits vigorous anti-trust violation prosecution against monopolies and price-fixing.

The time has long since passed when railroads held any advantage in the transportation picture. The reasons for government regulated railroad activity and subsidy no longer exist.

Magna Carta for Transportation

I strongly support the Magna Carta for Transportation:

(1) Freedom from destructive taxation.
(2) Freedom from stifling regulation.
(3) Freedom from subsidized competition.
(4) Freedom to diversify.

We need all forms of transportation. At the present time, we could least afford to be without railroads. If they did not exist, they would have to be invented. We don't want government controlled railroads any more than we want government controlled air, truck, or water transportation.

Given the same treatment as other forms of transportation, I feel certain that we will witness a revolution in the transportation business, a revolution that would assure the United States of maintaining the No. 1 spot in world railroad transportation.

D. J. RUSSELL

President, Southern Pacific Lines

The gradual recovery of the nation's economy during the second quarter of 1961 was matched by a corresponding increase in the freight traffic handled by Southern Pacific. But there will have to be a continuing improvement in the economy if rail traffic is to equal last year's total volume.

Donald J. Russell

As a means of stimulating the recovery, Southern Pacific has accelerated its 1961 program to acquire more than $51 million in new railroad and highway rolling equipment. This was done to add momentum to the upward trend of business by getting these capital expenditures quickly into the economy.

Included in the new equipment are 2,342 railroad freight and passenger cars, 34 diesel locomotives, 746 highway vehicles and 275 bi-level and tri-level auto rack units for the piggybacking of automobiles.

Much of this new equipment consists of specialized cars which are more efficient to load and unload. This faster and lower-cost handling makes it easier for shippers of Western and Southwestern products to compete in Eastern markets.

Other SP expenditures for improvements to fixed facilities—such as line, terminal and communications installations—have helped to increase the railroad's operating efficiency.

Coupled with improvements to increase efficiency, we are making progress with one of the major problems facing the rail industry today—the need to eliminate waste and duplicate facilities. This is essential if railroads are to help the industries they serve compete effectively in domestic and world markets, in the face of the spiraling costs of doing business in our country.

On Southern Pacific, we are continuing to make every effort to eliminate non-essentials in order to secure maximum utilization of plant and equipment. This has helped us cushion the effects of the recession, as well as counteract continued price increases and a six cents an hour increase in labor costs which took effect last March 1.

Such efforts make it possible to adjust rates that will continue to hold traffic to our lines. In a good number of instances, we have been able to offer rate reductions through incentive rates, designed to regain traffic.

However, Southern Pacific's own extensive efforts to reduce waste and improve efficiency cannot alone stem the loss of rail traffic to other modes of transportation.

This is why we seek control of the Western Pacific Railroad. Coordination of services and elimination of wasteful and unnecessary duplication of facilities on our parallel and interweaving lines would help hold costs and rates to the lowest possible levels and would produce other substantial benefits to western business and industry.

A healthy transportation system is essential to our nation's economic welfare. Many railroads, already weakened by years of over-regulation, subsidized competition and discriminatory taxation, have been further endangered by the comparatively mild recession from which we are just now emerging.

If the rail industry can pare its costs by eliminating surplus plant and duplicate facilities, lost traffic can be regained and new traffic generated. If railroads are permitted to put themselves in fighting trim, they will be able once more to make their full contribution to America's economy.

W. GORDON ROBERTSON

President, Bangor & Aroostook Railroad Company

The Bangor and Aroostook's position in the railroad industry is somewhat unique, and, for this reason, its record is not always a bellwether of the railroad industry. It is an originating carrier—one of the few Class I railroads contained entirely within the borders of a single state—drawing its traffic from the extreme northeast corner of the United States. Most of its trackage lies in Aroostook County, an area nearly as large as Massachusetts, and most of its traffic originates there. The road is largely dependent on potatoes and forest products — pulpwood and paper — for its revenue. In 1960, potatoes, paper and pulpwood accounted for 58 cents of every income dollar. Potatoes, alone, brought 28 cents of the income dollar.

W. G. Robertson

Its close relationship with the Maine potato industry has special implications and responsibilities for the Bangor and Aroostook and, at the same time, sets it apart from railroads serving more diversified areas. Demand for Maine potatoes is governed by such unpredictable factors as rainfall in Idaho, frost in the south and the quality of the Long Island crop. Because of such peculiar factors, the Bangor and Aroostook's fortunes do not always parallel those of railroads serving the heartland of the country.

A significant trend has become apparent in 1961 that affects our earnings and our plans. Volume processing of potatoes in the growing area has become an established fact. Since processing requires from 2½ to eight carloads of fresh potatoes, depending on the type of finished product, to produce a carload of processed potatoes, there is a strong implication that fewer fresh potatoes will be shipped.

To complicate matters, processed potatoes are perhaps more adaptable to small truck shipments than are fresh potatoes and trucking interests were recently successful in the Maine State Legislature in raising the road limit to 70,000 pounds.

We are countering these forces by vigorous sales and service, offering advantages unique to rail transportation. For example, a slow potato movement during what would normally have been the peak months of February, March and April left more potatoes in storage than usual for an early summer movement. In order to attract the traffic, the railroad offered free pre-cooling of potato cars (5,000 pounds of ice) and were able to divert a significant part of this traffic from the highways.

The changes in the potato industry have brought about long-range plans to phase in with potato processing. We are experimenting with both specialized and dual-purpose equipment to maintain transportation leadership. A push-button car movement of potatoes in bulk to processors and re-packing operations was introduced last year and has proven useful to that segment of the industry which has traditionally preferred highway transportation. A dual-purpose car to meet the needs of both paper and potato shippers is being developed. Heavy equipment for track maintenance is also playing an important role in our long-range planning. During the past three years, the BAR's ownership of large roadway machines has doubled and now totals nearly three-quarters of a million dollars. Not only have we been able to increase our track maintenance efficiency, but we have been able to perform maintenance of higher quality.

Based on six-month performance and looking at the remainder of 1961, the year does not look as promising as 1960 when the railroad earned $3.52 a share. The anticipated drop is due to a slow potato and pulpwood movement. Potatoes are expected to pick up in the fall, but there is little hope for any improvement in pulpwood before 1961. Other commodities—petroleum and paper—are above the 1960 level and will help offset losses in potatoes and pulpwood.

The railroads are slowly winning the rights of first-class citizenship in the transportation world. With these rights and the experience of the lean years that has honed our efficiency, there can be no doubt that the years ahead hold a rich potential for both railroads and railroad patrons.

STUART T. SAUNDERS

President, Norfolk & Western Railway Co.

The recession that developed in our economy in 1960 carried over well into 1961, but, from all indications, business will be much better in the last half of this year, with the upward trend continuing in 1962. The nation's underlying economic strength in the face of adverse business conditions has been very impressive. The stabilizers built into the economy in recent years worked well during the recession, and consumer expenditures remained at high levels. As a result, our economy came through the recession in good shape and is now poised for another advance to record heights. The new military buildup authorized by Congress to meet the Berlin situation will undoubtedly add momentum to the upturn.

Stuart T. Saunders

The present improvement in business is particularly important for the nation's railroads, which have been hard hit by the recession. Last year the railroad industry's rate of return on investment fell for the fifth consecutive year to 2.13%—the lowest rate of return for any major industry and the lowest for the railroads since the depression years of the Thirties. In addition, one Eastern railroad has recently gone into bankruptcy, and a number of others are in serious financial condition. This points up the urgent need for more equitable regulatory and tax treatment for the railroads, which no longer have a transportation monopoly and are engaged in a fierce competitive struggle with other modes of transportation, most of which are highly subsidized and all of which are less stringently regulated than the railroads.

One of the most important developments in the railroad industry—and one which must not be permitted to bog down under the weight of railroad rivalries, labor opposition and governmental inertia — is the merger movement which holds great promise for more efficient and economical operations, better service to shippers and more effective competition with other modes of transportation.

On the Norfolk and Western, we are well aware of the opportunities afforded by railroad mergers. As a result of our favorable experience in the merger of the Virginian Railway into the N&W in 1959, which we expect to produce ultimate savings of over $12 million a year, we have proposed a merger with the Nickel Plate and a lease of the Wabash. We believe that such a unification holds exciting prospects for the elimination of duplicating facilities and the realization of the economies inherent in large-scale operations and longer single-line hauls, with ultimate savings estimated at $25 million a year. Our proposal has been approved by the stockholders of the roads involved, and the Interstate Commerce Commission will begin hearings in the Fall.

For the first half of 1961, the Norfolk and Western's revenues and earnings were somewhat below the results

for last year. But our traffic has shown definite signs of improvement, and, if the business upturn continues as expected, we believe that the second half of 1961 will be considerably better than the first half. To increase our capacity for handling an expanding volume of business, we have just purchased 30 new diesel locomotives, bringing our total number of diesels to 561—the most modern fleet in the industry, with an average age per unit of slightly over 2½ years. In addition, we expect to add this year some 1,500 new freight cars to our car fleet, which already totals more per mile of line than any other major American railroad. Total capital expenditures for these and other improvements in 1961 are estimated at $37 million.

W. THOMAS RICE
President, Atlantic Coast Line Railroad Company

We on the Atlantic Coast Line Railroad look for an increase in carloadings during the second half of 1961, following the recent upturn in general business activity.

Carloadings during the first half of the year were extremely disappointing; however, one bright spot in the over-all railroad picture was the increase in piggyback traffic. In this connection, we confidently expect to gain a greater share of the total perishable movement out of Florida during the 1961-62 season. We will have a larger supply of trailers available for the movement of this type of business, and we also have plans for expanding into the movement of a greater variety of commodities.


W. Thomas Rice

We on Coast Line are constantly studying freight rate revisions and services provided, and both are being tailored to meet shipper needs in today's highly competitive transportation market.

The increasing industrial development of the Southeast is very encouraging for the Atlantic Coast Line. During the first six months of 1961 there were 75 new industries located on Coast Line rails, with 23 plant expansions. Certainly, this means added rail freight business.

Passenger business accounts for approximately 10% of Coast Line's total gross revenues, and we look for travel to continue at about the same level as in 1960. It is significant, I think, to point out that while there was a 10% decrease in tourists visiting Florida last year, Coast Line's passenger revenues increased 5%.

With the high level of industrial development activity in the Southeast and the consequent increased need for rail transportation, an anticipated growth in piggyback traffic and a stabilized and possibly increased passenger travel, certainly Coast Line can look to the future with confidence.

On the other hand, the outlook industry-wide is not a bright one. The average rate of return for the industry on its property investment was 2.13% in 1960. Coast Line's rate of return on its investment last year was 2.14%. Any industy operating with such a narrow rate of return cannot be in a healthy financial condition.

An enlightened transportation policy is desperately needed to preserve the railroad industry as a part of our free enterprise system. We need most of all an equal opportunity to compete with other modes of transportation.

JOHN W. SCALLAN
President, Pullman-Standard

Although railroad supply companies have had little to cheer about in the past 18 months in the way of new orders for freight cars, a deep wave of optimism exists in the industry that better days are coming for the railroads. There is substantial basis for this optimism. Though it may seem paradoxical, much of this optimism can be based on the widespread publicity being given the railroads and their problems in recent months.


John W. Scallan

And what prompts all of this publicity about the railroads and their future? There is undoubtedly a growing awareness that public apathy to unequal government regulation and unfair competition continues to place the railroads in a bad position. But, as highways become cluttered, downtown areas stifle, and shippers look for new methods by which to get their products to market, government officials, as well as the public, are taking another hard look at what's happening to this basic form of transportation.

True, neither the railroads nor the supply industry can look to legislation to supply them with complete answers to all of their problems. Even the Transportation Act of 1958 lightened only a few burdens. But one cannot help feel an undercurrent of hope and aggressiveness in the railroad industry, which given a year of increased business and earnings, could unleash one of the biggest assaults on the cost of transportation ever seen in this country.

The railroads are aware that their great potential for recapturing lost traffic lies in providing more efficient means of shipping goods and thus help the shipper cut his costs. Although recent earnings have kept the railroads from buying large quantities of cars, those orders placed have been for special type equipment — equip-

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Bell & Howell Co. Private Note Sale

The company has arranged the private sale of $15,000,000 of its promissory notes due 1986 through Lazard Freres & Co., and Harriman Ripley & Co., Inc., New York City. Proceeds will be used to retire the company's 4¼% and 4¾% cumulative preferred stocks on Sept. 1, 1961, plus certain long-term notes. The balance of the funds will be added to working capital.

Bell & Howell Co., with offices at 7100 McCormick Rd., Chicago, is engaged in the design, manufacture and sale of photographic, optical and electronic equipment, including motion picture cameras and projectors, slide projectors, still cameras and photographic accessories.

H. M. Harper Co. Common Offered

Public offering of 180,000 common shares of H. M. Harper Co., at $21 per share is being made by Blunt Ellis & Simmons, Chicago. Of the total, 150,000 shares are being sold for the company and 30,000 for certain stockholders. The company's proceeds will be added to working capital and used for future expansion of its manufacturing and distribution facilities.

The company of 8200 Lehigh Ave., Morton Grove, Ill., is a leading producer of stainless steel and non-ferrous corrosion resistant fasteners and stainless steel industrial shapes. Authorized stock consists of 10,000 shares of 6% preferred stock and 2,000,000 $1 par common shares, of which 7,770 and 1,161,510 shares respectively, will be outstanding upon completion of this sale.

With Yarnall, Biddle

LANCASTER, Pa. — Yarnall, Biddle & Co., members of the New York Stock Exchange and other leading exchanges, announce that Asaph S. Light is now associated with them as a registered representative.

Mr. Light is located in the firm's Lancaster, Pa., office in the Fulton Bank Building.

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ment designed and built by carbuilders and their suppliers to do a more efficient job of transporting goods.

These cars included 85-foot flat cars for piggybacking, special container cars, cars equipped with cushion underframes and other devices to protect lading, covered hopper cars for all types of dry bulk lading, jumbo tank cars, insulated box cars, aluminum gondolas and hopper cars, full-door box cars, triple deck rack and cars for carrying automobiles, and many others. The tri-deck automobile cars alone already have returned a large dollar volume of freight to the railroads, traffic once lost to the highway.

As an indication of supplier determination to continue to provide the railroads with the modern equipment they need to give them the inside track with their customers, millions of dollars have been spent by our industry in research on cars and parts in recent years. This program is continuing, and more products to interest cost-conscious shippers are now on the drawing boards.

If this type of aggressiveness is with us now, despite poor business conditions, which have reduced equipment purchases almost to zero, what great progress can be anticipated if, when business returns to normal, the railroads of the nation are permitted to earn enough money to purchase the kind of equipment they need?

We in the supply business are convinced that better days are coming for the railroads and that we must be ready and willing to meet the competition head on in the battle for the transportation dollar.

There is no gloom in Pullman-Standard as to the future of the railroads, and once the present recession passes, we firmly believe that we can look forward to a new era of prosperity for the railroad industry and its suppliers.

T. M. THOMPSON

Chairman of the Board,
General American Transportation Corp.

Business is better; railroad business is better and is improving gradually. As it continues to improve, we expect new car buying to increase especially during the latter part of this year and the first part of 1962. Unfortunately for the carbuilders, the long lead time nature of its operations will prevent sizable production benefits to be realized from this increased business in the remainder of 1961.

T. M. Thompson

During much of 1960 and to date in 1961, railroads just have not ordered freight cars other than piggyback and special types. Nineteen hundred sixty-one operations in our freight car plants have been, and will be, due almost entirely to tank cars, mechanical refrigerator cars, Airslide, Dry-Flo, Dry-Flo Chem, Piggy-Back cars, all special cars of our own design.

RICHARD L. TERRELL

Vice-President of General Motors and
General Manager of Electro-Motive Division

The outlook for U. S. locomotive builders in the coming year is for an increased volume of business compared to the potential on the business horizon a year ago.

This improved outlook is based on two factors: continued expansion of the foreign market as railroads outside the United States convert from steam to Diesel, and improvements in the domestic market brought about by general improvement in economic conditions and the determination of American railroads to better their position in inter-city freight traffic through faster schedules and better service.

Richard L. Terrell

The past year has been a record year for my company in the export of our locomotives abroad. We fully expect the coming year to exceed the volume experienced this year as foreign railroads take advantage of the inherent characteristics of the Diesel engine in rail service—lower operating and maintenance costs, greater flexibility, and high availability.

In the domestic field, we are faced with a strictly Diesel-for-Diesel replacement market since all U. S. railroads are fully Dieselized. Unlike the old steam locomotives, which were custom-built to individual railroad specifications, the Diesel-electric locomotive is a standardized piece of equipment offering maximum parts interchangeability.

In our development of the Diesel-electric locomotive, we have firmly established a rigid engineering requirement—all improvements in locomotive components must be applicable to earlier models. This has imposed added problems for our engineering department, but it has reacted to the benefit of our railroad customers by protecting the original locomotive investment.

Purchasers of our equipment 12 to 15 years ago, for example, have an equity in the old locomotive units of at least 30% of the original purchase price when applied to the purchase of new replacement locomotives under our "Locomotive Replacement Plan." The equity stems from the fact that certain long-life pieces from the old unit can be incorporated in the manufacture of the new replacement unit.

In the next five years, some 9,000 Diesel-electric locomotives of General Motors manufacture will be candidates for the replacement plan. Increased power of today's models (three normally can do the work of four older locomotive units) make possible significant reductions in railroad locomotive fleets with resultant savings in both operating and maintenance costs.

We frequently are asked about new motive power developments, especially new prime movers and transmissions. We are asked about atomic-powered locomotives, turbine-powered locomotives, electric locomotives, and locomotives with hydraulic transmissions, for example. At the present time we see no economic justification for the replacement of the Diesel-electric locomotive by any other form of motive power on American railroads. This is based on economic considerations since there is no particular technological problem in the applications of the prime movers or transmissions indicated above.

U. S. railroads, being privately owned institutions, must put their dollars for capital equipment in products that will provide the greatest possible return on investment. Today's Diesel-electric locomotive, with its high relative efficiency compared with competitive forms of motive power, plus the railroad equity in the existing Diesel locomotive fleets, make it the economic choice in the current locomotive replacement market.

B. J. YELIN

Vice-President, Morrison-International Corp. Division of Ryder System, Inc.

The railroads' ability to satisfy their great need for new rolling stock, signal equipment and automatic yards can be the key to our national economy recovery and betterment, however, because of the serious inroads in the railroads' working capital their ability to place orders is hampered by this limited purchasing power.

Bernie J. Yelin

The lag between the strong industrial recovery which appears to be currently taking hold and increased carloadings will determine the ability of the railroads to enter into an aggressive capital account replacement schedule.

Various trunk line railroads have aggressive plans for 1962. With the encouragement of better earnings by virtue of increased traffic flow, they will activate their plans.

With the solution of wage problems, alleviation of featherbedding and broadening bases for rate making and commodity carriage, earnings should become immeasurably higher by 1965, the interim periods showing gradual improvements as individual situations are cleared up.

R. A. WILLIAMS

President, Stanray Corporation

Our corporation's more than 70-year background in the railway equipment business is the basis for our confidence in the future of the railroads and in their ability to strengthen their position. The aggressive steps taken by the railroads in recent years to improve operating efficiencies and recapture a larger share of the transportation market through advanced technological improvements, is evidence of their ability to engage in the toughest of competitive battles despite continuing discriminatory restrictions.

R. A. Williams

While we do not look for any significant change in the cyclical nature of the railway equipment business, we do anticipate continued demand for our products for many years.

The railroads are in an era of transition in which rapid and often radical change is necessary to overcome the competition of other forms of transportation. The railway suppliers must develop the equipment to meet these changing requirements. To this end Stanray has its Transportation Equipment Research Group to investigate the probable future requirements for transportation systems and other specialized equipment. The objective is to design and fabricate new and improved equipment to meet these requirements so that the Standard Railway Equipment Division of Stanray will be a major contributor to this evolution.

In keeping with its past history, our Standard Railway Equipment Division is determined to maintain its pace of pioneering development—it was the first to introduce metal freight car roofs and ends, corrugated ends, diagonal panel roofs, wheel truing machine and other significant improvements.

A current example of this continuing effort is the contract recently entered into with the U. S. Maritime Administration for the design and supply of equipment to be used in the transportation of spent nuclear fuel from the N. S. Savannah, first nuclear-powered merchant ship. This development holds the promise of further penetration into the field of transportation and handling of nuclear fuel waste materials for public utilities and other industries.

Also, Stanray now is following through on a research and development contract with Euratom, a federation of several atomic development agencies in Europe, covering the study of similar problems in Europe.

Stanray's railway equipment plant in Hammond, Ind., is one of the finest in the business. As a result of a modernization and expansion program completed within the last decade at a cost of $5,000,000, this plant is equipped to maintain the highest level of production efficiency.

These steps, which have led to the acquisition of a foundation on which future corporate growth is being planned. This growth is being implemented by steps taken in recent years to broaden the company's activities

which would lessen its dependence on its traditional, but highly cyclical, source of business.

These steps, which have led to the acquisition of a number of companies, initially stressed a continuation of activities related to ours, that is, metal fabrication. But the changing nature of customer demand, as it applies to our outboard boat business, has brought us also into reinforced plastics production.

Since the start of the diversification program, Stanray's operations have expanded, from a facilities point of view, from two plants in two cities to 11 plants in as many cities located from New York to California and from Canada to Arkansas. These plants now produce, in addition to railway equipment and outboard boats, precision machinery parts, structural steel, airport ground equipment, as well as reinforced plastic components for a variety of industries.

Stanray's diversification moves definitely do not relegate its railway equipment business to a minor role in its operations; rather they fortify it with opportunities for growth in other areas. Stanray continues to seek all the railway equipment business it can get and is confident of meeting the railroads' needs for many years to come.

Kane-Miller Common Sold

Public offering of 120,000 shares of common stock of Kane-Miller Corp. (Yonkers, N. Y.) at $5 per share, is being made by Netherlands Securities Co., Inc., J. J. Bruno & Co., Inc., and Seymour Blauner Co. underwriters.

Proceeds will be used by the company to retire certain indebtedness and purchase inventories, with the balance to be added to general funds.

The company is a wholesaler and distributor of groceries and allied food products, distributing principally to institutional customers such as hospitals, schools, hotels, camps, restaurants, steamship lines, railroads, airlines, government agencies and industrial concerns.

Sirianni Forms Co.

GREENE, N. Y.—Carl L. Sirianni is engaging in a securities business from offices on East River Road under the firm name of Sirianni & Company.

Chicago Municipal Bond Club Outing

CHICAGO, Ill. — The Municipal Bond Club of Chicago will hold its 25th annual field day starting Sept. 7th with a cruise on the Chicago District Waterways followed by cocktails and dinner at McCormick Place, Chicago's new Exposition Center. Golf and other activities will be held at the Elmhurst Country Club on Sept. 8th.

Tariff for members is ten dollars; for non-resident members, twenty dollars; and for guests fifty dollars. Reservations should be made with A. D. Buchan, Bacon, Whipple & Co., by Sept. 1st.

Members of the Reception Committee are George B. Wendt, First National Bank of Chicago, President of the group; John P. Ballman, Ballman & Maine; and William J. Corbett, Jr., Burns, Corbett & Pickard.

General Chairman of the Field Day Committee is James G. Brophy, William Blair & Company. Frederick F. Johnson, Barcus, Kindred & Co. is vice chairman.

Other committees and their members are:

Arrangements: Andrew D. Buchan, Bacon, Whipple & Co. chairman; Robert C. Hawley, Harris Trust & Savings Bank; Walter A. Hintz, A. G. Becker & Co., Incorporated; Henry J. Jensen, Bache & Co.; and Harry J. Wilson, Harry J. Wilson & Co.

Entertainment: Paul Stephens, Paine, Webber, Jackson & Curtis, chairman; James E. Harper, Paine, Webber, Jackson & Curtis.

Transportation: Terence M. Carey, Goodbody & Co., chairman; Robert A. MacAdam, First of Michigan Corporation; and William C. B. Magoun, Bacon, Whipple & Co.

Golf: Carl H. Ollman, Dean Witter & Co. chairman; F. Brittain Kennedy, Jr., Braun, Bosworth & Co.; and Charles R. Wilson, Smith, Barney & Co.

Soft Ball: Robert E. Simond, Jr., Halsey, Stuart & Co. Inc., chairman; and Raymond B. McCabe, Halsey, Stuart & Co., Inc.

Tennis: Warren S. Yates, Merrill Lynch, Pierce, Fenner & Smith Incorporated, chairman.

Horseshoes: James P. Gallagher, Rodman & Renshaw, chairman.

Special Event: William A. Noonan, Jr., Continental Illinois National Bank, chairman; Robert R. Brinker, John Nuveen & Co.; Byron J. Sayre, Ira Haupt & Co.; Robert J. Taaffe; and Roland C. White, Harris Trust & Savings Bank.

Prizes: P. Alden Bergquist, The First National Bank of Chicago, chairman; Raymond V. Dondon, Hill, Darlington & Grimm; John X. Kennedy, White, Weld & Co.; and William S. Morrison, Jr., Harris Trust & Savings Bank.

E. C. P. I., Inc. Common Offered

Stern, Zeiff & Co., Inc., New York City, is offering publicly 52,500 shares of E. C. P. I., Inc., at $5.50 per share. Of the total, 50,000 shares are being sold for the company and 2,500 for certain selling stockholders. Net proceeds will be used by the company for expansion and working capital.

The company of 116 W. 14th St., New York City, is engaged principally in the business of conducting courses of training in the fields of electronic data processing, computer programming and IBM tabulating and key punch operations.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Not Where, But What

Over the years there has been a foolish, if not downright vicious, tendency on the part of some Wall Streeters and market dabblers to ascribe all virtues to listed equities, especially those dealt in on the Big Board, and all sins to the Over-the-Counter Market. Right now, this fraternity, with a Government study of the marketplace in the offing, is in full cry.

Yet, as even a casual student of the markets knows, the New York Stock Exchange, the American Stock Exchange and other exchanges across the land have a full complement of the shoddy and the Counter Market has no dearth of quality issues. It is just as easy for an uninformed man to come to grief with a listed equity as to get hurt in the Counter Market. It was not where he bought that is likely to prove painful, but what.

Of course, the Counter Market traditionally is the place where companies first going public generally are traded. As long as the investor—or speculator, if you will—knows what he is doing, there is no cause for alarm, either by him, people in Wall Street or Washington. And it's a rare habitue of the marketplace who doesn't have a portfolio that covers all markets. Many a conservative investor has gained his richest rewards in the Counter Market because he knew something about the company into which he bought and took the calculated risk. Not even the most hidebound conservative restricts commitments to the Dow-Jones Industrials.

As a shining example of what can be achieved in the Counter Market by people with know-how, there's the case of Over-the-Counter Securities Fund of Oreland, Pa. Winding up its fifth year as a mutual fund uniquely devoted to the kind of issues the title connotes, the company notes that asset value per share, total net assets, total shares outstanding and the number of shareholders all reached new peaks on June 30. Interestingly, the investment and sales progress of OCSF for the first six months of this year was greater than in any similar span in the history of this fund.

Asset value per share—the most worthwhile index of investment performance — was at a record $8.22 on June 30, 33% ahead of the end-of-1960 figure and up 29% from a year earlier. Like a lot of the companies tucked into its portfolio, this is not a big fund. Indeed, total net assets at latest report still were a shade under $1,000,000.

And what has the fund been buying this year? Well, names such as Mary Chess, Lemmon Pharmaceutical, Nease Chemical, Ott Chemical, School Pictures, Cook Electric, Asgrow Seed and Charge-It of Baltimore hardly will have a familiar ring in most households.

The fund made one sale from portfolio during the latest six-month period: Foxboro, which has gone to the New York Stock Exchange and on which OCSF made a tidy profit.

Needless to say, the men who have turned in such a brilliant performance exclusively with Counter equities were not dilettantes. They knew what they were about. We hope that the Federal investigators of the marketplace will heed these wise words from Ralph P. Coleman, Jr., president of the fund:

"The management . . . is fully aware that during the past six months the interest of the investing public in Over-the-Counter securities increased sharply. Unfortunately, much of this interest in unlisted issues was concentrated in lower-priced highly speculative stocks, especially those in the 'new issue' category. As a result of this interest, some of these stocks had spectacular and unwarranted price advances brought on primarily by high investor interest. Already, the prices of many of these issues have receded from their high levels. Naturally, this will disillusion many novice investors about the Over-the-Counter Market."

What Coleman and his colleagues have set out to do is to pick issues which would yield the greatest long-term capital appreciation, regardless of short-term market conditions. In doing this, he notes, the fund has sought to strike a balance between conservative and growth investments.

Other fund managers, imposing no site restrictions on themselves, have the same goal. They know, of course, it is a case of what, not where.

An investigation of the marketplace could be most helpful, but the results could be downright painful to this nation's economy if somehow the idea were implanted that the Counter Market offered nothing but pitfalls. As Ralph Coleman can attest it is simply not so. Of 100 issues in the portfolio at latest report, 75% were selling above the purchase price.

The Funds Report

On June 30, **American Research & Development Corp.** had total net assets of $40,004,209, equivalent to $26.06 per share. This compares with assets of $38,875,003 and $25.33 a share on Dec. 31, 1960, and $30,826,361, or $26.01 a share, on June 30, 1960.

* * *

Axe Science & Electronics Corp. reports values of its shares increased from $11.34 on Dec. 31, 1960, to $12.55 at the end of June. Total net assets rose from $19,428,288 to $23,096,377.

* * *

California Fund, Inc. reports that at June 30, total net assets amounted to $3,118,568, or $7.34 a share. A year earlier the figures were $2,837,338 and $6.58. At the close of 1960 assets amounted to $2,908,525, or $6.77 per share.

* * *

Delaware Fund reports it "took advantage of the recent market spurt cut back moderately" holdings of Reynolds Tobacco, Revlon, Warner Lambert and Sterling Drug. It said these issues "had enjoyed a particularly steep advance."

Assets of **Eaton & Howard Stock Fund** totaled $200,604,785 at the close of business Aug. 7, higher than at any previous date, it was announced. This is a substantial increase from assets of $167,661,119 on Dec. 31, 1960. Net asset value per share on Aug. 7 reached an all-time high of $14.55, compared with $12.26 at the year-end.

* * *

Assets of **Eaton & Howard Balanced Fund** rose to $220,350,965, also a new record, on Aug. 7, compared with $200,807,484 on Dec. 31. Per share asset value increased during the period to a new high of $12.80 per share from $11.37 at year-end.

* * *

Net asset value of the common stock of **Electric Bond & Share Co.** at June 30 was $187,429,841, or $35.70 a share. Investments for which there are no market quotations are included at values determined by the board of directors, as required by the Investment Company Act of 1940. On a comparable basis, asset value showed an increase of 10% in the first half of 1961 and was 14% higher than asset value a year ago.

The securities portfolio had a value at June 30 of $81 million. Market value of stocks acquired since the beginning of the investment program in 1954 was $64 million, 52% above cost.

Net income for the first half of 1961 was $2,720,289, or 52 cents a share, compared with $3,396,548, or 65 cents a share, for the same period last year. The decrease was mainly attributable to lower dividend income from Ebasco whose dividend was reduced in the third quarter of 1960.

* * *

Fidelity Fund reports that at June 30 it had net assets of $445,933,563, or $17.14 per share, against assets of $384,297,822 and $15.27 a share a year earlier. At Dec. 31, 1960, the comparable figures were $397,579,225, or $15.79 per share.

* * *

Fidelity Trend Fund reports that during the three months ended June 30 its new additions included Aerojet General, Aetna Finance, American Cryogenics, Amphenol Borg Electronics, Anken Chemical & Film, Beech Aircraft, Celanese, Clute Corp., Continental Screw, Delta Airlines, Denver Chicago Trucking, Draper Corp., Drexel Enterprises, Exquisite Form Industries, Far West Financial, Ford Motor, Gem International, Howard Industries, Kawneer, Leeds Homes, Lockheed Aircraft, Loral Electronics, Mansfield Industries, Marrud, E. F. McDonald, Meredith Publishing, Mohawk Rubber, Northwest Airlines, Permian Corp., Polaroid, Puritan Sportswear, Rockower Brothers, Square D, Trans World Airlines, Underwood, U. S. Freight, Welch Scientific, Work-Wear Corp. and Zale Jewelry.

Over the same span it eliminated American Machine & Foundry, Crowell-Collier, Fotochrome, Glass-Tite Industries, Holt, Rinehart & Winston, Hydrocarbon Chemicals, Plough, Rexall Drug & Chemical, Stanley Warner, H. I. Thompson Fiber Glass and Western Publishing.

* * *

New highs were recorded by **Income Foundation Fund, Inc.** for the six-month period ending June 30. In the semi-annual report to shareholders, the board of directors reported net asset value per share was a record $2.73, against value per share of $2.50 on Dec. 31, 1960. The new high in net assets at the end of the period was $19,891,832, or a 20% increase from net assets of $16,510,008 reported at the end of 1960.

* * *

Per share net asset value of **Incorporated Investors** increased from $8.41 to $8.50 in the first six months of this year. Total net assets rose in that time from $299,522,516 to $318,870,668 and shares outstanding from 35,595,581 to 37,521,257.

* * *

Investment Company of America reports that at June 30 total net assets amounted to $224,012,744, or $11.20 a share. At the end of 1960 assets amounted to $189,185,901, equal to $10.27 per share.

* * *

July sales of $10,835,000, a record for that month, were reported by **Investors Planning Corp. of America.** The fund distributing organization also disclosed that its 1961 volume has already passed the $100,000,000 mark.

According to I. P. C. President Walter Benedick, last month's business written bettered by 6.9% the previous July peak of $10,138,000, set in 1960. Last month's total, however, was 25.2% under the $14,492,000 of June of this year. Mr. Benedick said this decrease is consistent with the seasonal pattern of earlier years. He reported that the firm's 1961 sales through July 31 amounted to $102,886,000—up 10.7% from last year's record seven-month total of $92,640,000.

* * *

B. C. Morton Fund reported total net assets were quadrupled during the six months after its investment management and distribution came under the control of the B. C. Morton Organization. Formerly known as Lone Star Fund, this open-end investment company consists of three series of shares — Growth, Insurance and Income — whose combined assets totaled $1,505,103 on June 30, compared to $553,215 at the end of March and $352,641 at the time of the management change last Dec. 31.

At $14.38 on June 30, the net asset value per share of the Growth Series declined slightly from the $14.34 of three months earlier, but rose 18.2% from the Dec. 31 figure of $12.17.

The per share value of the Insurance Series came to $14.29 at the June closing — 10.8% better than the $12.92 of March 31, and 30.4% greater than the $10.97 of six months previously.

The share value of the Income Series increased by 8.7% in six months—from $7.72 to $8.39—although the latter figure was down from the $8.57 of March 31.

* * *

T. Rowe Price Growth Stock Fund reports that at June 30 total net assets amounted to $53,150,637, or $16.03 a share, against $39,913,712 and $14.15 per share at Dec. 31, 1960.

Ten largest holdings at latest report were Avon Products, International Business Machines, R. J. Reynolds Tobacco, Du Pont, Campbell Soup, Owens-Illinois Glass, Pepsi-Cola, Scott Paper, American Telephone & Telegraph and Dow Chemical.

Ten largest purchases during the first half 1961 were Campbell, Owens-Illinois, Rohm & Haas, Baltimore Gas & Electric, Du Pont, Standard of Jersey, General Electric, Scott Paper and Corning Glass Works.

* * *

Samson Fund, Inc. reports that during the first half of this year net asset value per share appreciated from $10.75 to $12.54 while net assets rose from $372,000 to $607,000.

* * *

Shareholders' Trust of Boston calculates total net assets at $55,329,696, or $11.51 a share, on June 30. At the close of 1960 assets amounted to $46,322,356, or $10.85 per share.

During the June quarter the company bought Anaconda, Dentists' Supply Co. of New York, Du Pont, B. F. Goodrich and Lockheed. It increased holdings of American Optical, American Radiator & Standard Sanitary, Atchison, Topeka & Santa Fe, Cooper-Bessemer, International Harvester, International Telephone & Telegraph, Northern Pacific, Southern Railway, United-Carr Fastener, Western Pacific and Western Union. It sold Free State Geduld Mines, General Dynamics, W. T. Grant, McKesson & Robbins, Phillips Lamp Works, Sterling Drug, Swift & Co., United Aircraft and F. W. Woolworth.

N.Y.S.E. Proposes Uniform Examination for Salesmen

Keith Funston, President of the New York Stock Exchange, has announced that the Exchange is in the process of making available to state securities commissioners a suggested new uniform examination—their use in qualifying securities salesmen.

Keith Funston

Reports of the new examination—developed by the Exchange and The Psychological Corporation with the cooperation of many of the states—are now being sent to all state securities commissioners. The test will also be discussed next week at the annual meeting of the North American Securities Administrators in Seattle, Wash.

The examination being offered to states could be the forerunner of a national uniform test for all securities salesmen, Mr. Funston said. He originally announced the start of work on this test last October in a speech urging higher industry-wide standards for personnel handling the public's securities accounts.

At that time, he also announced a completely revised Exchange test for prospective member firm registered representatives composed by The Psychological Corporation, one of the nation's largest professional testing organizations.

Mr. Funston noted that since January 1 the Exchange has had excellent results testing about 2,400 candidates for registration with its new examination. A similar test is now being prepared by the National Association of Securities Dealers, which supervises the over-the-counter securities market.

Most trainees for registration with Exchange member firms must now take both Exchange and NASD tests, Mr. Funston noted, and in some cases they must take a state examination as well.

However, some 25,000 of this country's estimated 120,000 securities salesmen are not under the jurisdiction of any Exchange or the NASD, Mr. Funston pointed out, and may or may not have to prove their qualifications, depending on the states they work in. Only the states, cumulatively, have jurisdiction and are in a position to impose necessary educational standards on the *entire* securities industry, he added.

"It is the Exchange's hope," Mr. Funston continued, "that the three new tests—the Exchange's, the forthcoming NASD exam and the one now offered to the states—will evolve eventually into a single national securities examination.

"This could consist of a core of questions on knowledge considered essential in all phases of the securities business and its regula-

tion. To this could be added sections of special interest to each testing authority—such as individual state laws and regulations, Exchange and NASD rules, and specialized knowledge on listed and unlisted stocks, bonds and mutual funds.

"The Exchange feels that chief among the many benefits of such a uniform testing system would be a strengthening of ethical and professional standards among all securities industry personnel dealing with the fast-growing family of shareowners."

At the start of work on the examination now being offered to the states, Mr. Funston explained, the Exchange analyzed questionnaires received from 39 states. these showed that 35 of the 39 licensed securities salesmen, and that 13 of them used tests in the licensing process.

Twenty-five of the states said a uniform securities examination would be used if available. Eight of them indicated they would draw on the uniform examination as a source of new questions, and the rest expressed the intention to use the entire uniform examination as a unit, usually adding questions on their own securities laws.

Before the two-hour, 100-question examination now being offered to the states was completed, it was tested in draft stages on more than 200 member firm trainees.

Like the Exchange's examination, the test being offered to the states consists completely of multiple choice questions and is designed for electronic machine grading. Each securities administrator will determine the passing grade in his state, and the Exchange will provide the securities administrators with a six-page study outline for those planning to be tested.

Costs of developing the state test are being borne by the Exchange, Mr. Funston said. Copies of the examination itself have already been sent to those state commissioners who wish to use it and who have agreed to keep it secret.

Registration with the New York Stock Exchange is a requirement for any employee of a member organization who deals with the public. Candidates for registration demonstrate their professional knowledge by passing the Exchange's test or by successfully completing an Exchange-approved course at any one of ten Universities or Institutes in seven major cities throughout the country. Candidates must be at least 21 years of age and are generally required to have been trained by a member firm for at least six months, unless they have had substantial prior experience in the securities industry.

* * *

The exchange qualified in the neighborhood of 4,000 new candidates for full registration each year, about 90% of these through its test. This is administered by The Psychological Corporation at least twice a month at 33 testing centers in major cities, generally at Universities, and as needed in other cities where there are member firm offices that are more than 125 miles from the testing centers. Approximately another 3,000 applicants are processed annually for reregistration in moves from one member organization to another. Exchange member firms employ some 29,000 registered representatives in main and branch offices in this country and abroad.

Landsberg, Partner

Landsberg and Company, 123 Greenwich Street, members of the American Stock Exchange, have admitted Brendan E. Cryan to partnership. Mr. Cryan was formerly a partner in Sincere and Company.

Dolomite Glass Fibres, Inc. Stock All Sold

The company reports that its recent offering of 50,000 shares of 7% preferred at $10 per share, 50,000 class A common shares at $1 per share and 300,000 common shares at $1 per share, has been all sold. No underwriting was involved. Proceeds will be used for the purchase of additional equipment and for working capital.

Dolomite Glass Fibres, Inc., of 1037 Jay St., Rochester, N. Y., is engaged in the manufacture and sale of glass fiber for insulation and glass fiber strands, mats and roving for use in the production of reinforced plastics. Authorized stock consists of 250,000 shares of 7% preferred, 500,000 shares of class A common and 5,500,000 shares of common stock of which 100,000, 300,000 and 1,800,000 shares respectively, are now outstanding.

J. Vander Moere Investmts.

GRAND RAPIDS, Mich.—James Vander Moere, Jr. is now conducting his securities business from offices in the Peoples Building under the firm name of J. Vander Moere, Investments.

Sincere to Admit

Sincere and Company will admit Harry A. Isaacs Jr. to partnership as of Aug. 17. Mr. Isaacs will make his headquarters at the firm's New York office, 25 Broad Street.

S. W. Fund Sales

EL PASO, Tex. — Southwestern Fund Sales, Inc. has been formed with offices at 1900 North Oregon Street to engage in a securities business. Officers are Robert B. Blum, President; Bates Belk, Vice-President, and Berry H. Edwards, Secretary. Mr. Blum was formerly with Harold S. Steart & Company.

Switzer & Co. Opens

SILVER SPRING, Md.—Switzer & Co., Inc. has been formed with offices at 1005 Bonifant Street to engage in a securities business. Officers are Harry R. Switzer, president and treasurer; Robert A. Wallace and Wilson C. Switzer, vice presidents; and J. P. Switzer, secretary.

Stanley & Co. Formed

WASHINGTON, D. C. — Stanley and Company has been formed with offices at 1319 F Street, N. W. to engage in a securities business. Officers are Stanley Blaustein, president; Irene Blaustein, vice president; and Rudolph Blaustein, secretary-treasurer.

Alexander Smith Opens

DEVAULT, Pa.—Alexander Smith is conducting a securities business under the firm name of Alexander Smith & Co. Mail address is Route 29 at Horseshoe Trail.

In Securities Business

BOSTON, Mass.—Town and Country Homes, Inc., is conducting a securities business from offices at 188 Boylston Street. W. John Dunnan is a principal of the firm.

Our Reporter on
GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The money and capital markets, according to some money market specialists, have made the bulk of the adjustment which was expected, because of the enlarged defense program of the Government and the higher interest rates which went into effect in the British Isles. It is believed in some quarters that most of the new money financing of the Treasury for the current fiscal period will be done pretty much in the way it has been done so far this year, namely, in short-term or intermediate term issues with the near-term obligations being used for the bulk of this new fund raising.

As far as the longer-term Governments are concerned, they are at yields which are more attractive than they have been, but this is not attributed to any enlargement in the supply. It is due mainly to the fear that higher interest rates and restrictive credit measures to curb inflationary boom conditions will bring about higher yields for all fixed income bearing obligations.

Is Inflation Inevitable?

The sharp decline in prices of all fixed income bearing obligations in the last month or so raises the question as to whether or not bond yields have reached levels which have rather fully discounted the new money financing due to the enlarged expenditures that the Government will be making in order to meet stepped up defense needs of the country. It is being assumed that the increased spending of the Treasury for defense purposes will bring with it substantially improved economic conditions. Whether all this will lead to business conditions that will be classified as a boom, with its attendant inflation psychology, will be known only in the future.

However, it appears as though certain indicators are now giving the impression that, not only is business going to improve sharply but also one should be making at least some preparations for inflationary conditions that could develop in the future.

Bonds Under Pressure

As a result, the capital markets have been under pressure not only because of the Government's need for new money, but also due to the beliefs that the monetary authorities will have to take measures to prevent a boom from developing in the economy. In the past the powers that be have made efforts to fight inflationary boom and bust conditions with higher interest rates and a decreasing availability of credit. It should be kept in mind that when the inflation psychology is strong, and the boom is under way, it will eventually lead to a bust unless something is done to slow it down.

Because of our recent experience with boom conditions and its inflationary results which brought with them corrective monetary measures, it is not at all surprising that the fear of less credit and rising interest rates is again with us and taking its toll, especially in the yields and prices of Governments and other fixed coupon issues.

Prospective Treasury Financing

In the downturn which has been going on in prices of Government bonds, the yield of many of these securities has gone over a 4.00% return. In the intermediate-term maturities some yields are now in an area well above a 4.00% yield which should mean that any new money raising operations of the Treasury in these issues ought to be discounted to a considerable degree.

It is being assumed that the Government will use the middle-term issues for new money raising efforts to some extent. And the amount of the new funds which could be obtained in this area (up to ten years) might be made known when the Treasury comes into the market again late next month or early October.

However, it is believed in most money market circles that the early fall financing of the Government will consist mostly of tax anticipation bills. The amount to be raised at that time should be in the neighborhood of $5 billion and even a token new money offering of a note or a short bond would appear to be pretty well discounted by the current yields of the middle-term Treasury obligations.

Future Discounted

As far as the longer maturities of the Government are concerned, they have gone down in price as have the corporate and tax-exempt bonds. The higher yields that have been available in Government bonds have not been due to an increasing supply of these securities since the Treasury has not sold a real long-term bond in a considerable period of time. And there are no indications that this policy will be changed in the future.

Corporate bond new issues are on the slow side now and, even though there could be a pick-up in new money or refunding offerings, no really sizeable increase is looked for in these obligations for the foreseeable future. Accordingly, it would seem that the existing yields on corporate bonds have fairly well discounted what might happen for the balance of the year.

J. M. Anderson Forms Co.

WASHINGTON, D. C.—J. Morris Anderson & Associates, Inc. has been formed with offices at 3409 Fifteenth Street, N. W. to engage in a securities business. Officers are J. Morris Anderson, President; Paul O. Dowtin, Vice-President; and Robert Lewis, Secretary and Treasurer.

Carrison Heads Planning Group

JACKSONVILLE, Fla.—H. George Carrison, senior vice-president of Pierce, Carrison, Wulbern, Inc., Barnett National Bank Building, has been appointed chairman of the Blount Island citizens' advisory group by Robert Harris, chairman of the Dade County Port Authority. The group will activate the project to convert Blount Island to a large scale warehouse and industrial site with the construction of a deepwater harbor for cargo ocean freighters and supertankers and Jacksonville's shipyard industry.


H. George Carrison

I. D. A. C. Offering Finance Courses

TORONTO, Canada—The Investment Dealers' Association of Canada has announced that two courses in the Principles and Practices of Investment Finance in Canada will be offered by mail to employees of member firms of the I. D. A. C. or member firms of any Canadian stock exchange, who may enroll through the firm. Both courses are also available for press students.

Course I is written in non-technical language and is designed for the beginning employee. It provides an introduction to the business of the investment dealer and prepares for the more advanced work of Course II.

Further information as to fees, etc. may be obtained from W. S. Annett, Director of Education, The Investment Dealers' Association of Canada, 55 Yonge Street, Toronto.

Kleiner, Bell Co. Opens

(Special to THE FINANCIAL CHRONICLE)

BEVERLY HILLS, Calif.—Kleiner, Bell & Co. is conducting a securities business from offices at 315 South Beverly Drive. Partners are Burt Kleiner, Lionel Bell, Herbert Hill, Ralph J. Shapiro and Boris Loeb.

Eddie M. Shimooka has also become associated with the firm. He was formerly with V. K. Osborne & Sons, Inc.

Form K. von Berthold Co.

WASHINGTON, D. C.—Karl von Berthold & Co. has been formed with offices at 1425 H Street, N. W. to engage in a securities business. Karl von Berthold is President and Treasurer; E. K. von Berthold, Vice-President; and John A. Beck, Secretary. Mr. von Berthold was formerly with Johnston, Lemon & Co.

Staats Adds to Staff

(Special to THE FINANCIAL CHRONICLE)

SANTA CRUZ, Calif. — Wallace M. Richey has become associated with William R. Staats & Co., 1021 Center Street. Mr. Richey, who has been in the investment business for many years, was formerly local manager for Hooker & Fay, Inc. In the past he was a partner in Richey, Baikie & Alcantara.

Form Seaboard Secs.

MIAMI, Fla.—Seaboard Securities Corporation has been formed with offices in the Ainsley Building to engage in a securities business. Officers are Leon Nash, president; Barney Namerow, vice president; and Sylvia Nash, secretary-treasurer.

BANK AND INSURANCE STOCKS

This Week — Bank Stocks

REPUBLIC NATIONAL BANK OF DALLAS

In the decade of the Fifties IPC demand deposits (individual, partnership, and corporation) in the Dallas Federal Reserve District—had the fourth largest increase of all the Federal Reserve Districts. When measuring the increase of total deposits for the same period, the 11th Federal Reserve District showed the third largest increase of any of the Federal Reserve Districts. Total deposits include government and inter-bank deposits. This points up the fact that deposits do tend to follow population as this area has enjoyed one of the largest population increases in the country. According to projections of the U. S. Bureau of the Census, the present decade should continue the above average population increase for the Southwest. If the correlation exists between population growth and deposit growth, Texas banks should benefit.

State law prohibits branching in Texas. However, there have been bills in the legislature in recent years which have met less resistance than the previous ones. These bills would have permitted limited branching. It is the feeling that within the next few years branching will occur and will be either countywide or county and contiguous county branching. The City of Dallas is beginning to spread and should the banks take the best advantage of the decentralizing population, the Republic National stands in a pre-eminent position to do this.

The Republic National Bank has two beneficially owned corporations. One is the Republic National Co. which owns a minority interest in 11 banks in the Dallas area. Should branching occur, the Republic is in the best position to benefit from this by the nature of the so-called subsidiary corporation. In addition, the Republic Bank also holds for the beneficial interest of its stockholders all the shares of the Howard Corp. whose assets are oil and gas properties in several states. Although the Bank has not divulged the exact nature of these assets, it is believed that they are substantial and should the true value of these assets be added to the capital of the Bank, shares of Republic Bank stock would not be selling at substantial premiums over their book value. This corporation pays a $2 million dividend annually to the Bank and it has often been suggested that this dividend might be increased. At present the dividend is approximately 20% of net operating earnings, therefore any increase in this dividend, which is deemed possible, could mean a substantial increase in the earnings of the Bank.

Much of the growth of the Republic Bank has been attributed to the late Mr. Fred Florence who was chief executive officer of this institution for many years. Although the bank has suffered a loss in his passing it is apparent that the present management is capable and aggressive. The Repblic for many years has been thought of as an "oil" bank. Recent endeavors to lessen the dependency on the oil industry have been successful. The Republic has also encouraged other industrial growth in Texas as is evidenced by the presence of the electronic and aircraft industries in the Dallas area. Because the Republic represents the largest banking institution in the Southwest, and is geographically close to Latin America, endeavors are being made to expand into international banking.

Table I depicts the growth rate of Republic, while Table II compares its growth to the next two largest banks in Texas. The earnings performance of Republic is favorable. The current price in relation to earnings may be considered "normal." At various times in the past price earnings ratio has approached 30 times.

TABLE I

Comparative Statistics of Republic National Bank of Dallas

	Growth (in thousands)					Per Share Figures		
Year End	Deposits	C'tal Fds. Excluding Reserves	C'tal Fds. as % of Deposits	Net Oper. Earns.*	D'dend Payout	Net Oper. Earn./Sh.*	Cash D'dends Decl.	Book Value
1960	$1,012,467	$109,386	10.8	$10,014	66.4	$2.49	$1.65	$27.19
1959	913,072	104,610	11.5	9,384	65.6	2.33	1.53	26.00
1958	886,141	101,106	11.4	8,528	63.6	2.18	1.39	25.13
1957	741,484	90,749	12.2	7,364	62.4	2.03	1.25	23.18
1956	781,404	76,893	9.8	6,788	63.6	1.88	1.19	21.24

* Excluding dividend of The Howard Corp.

TABLE II

Comparative Bank Statistics

						Inc. 5-yr. per'd '56-'60		
	Price	Dividend	Yld. %	Latest 12 Mos. Earn.	P./E.	N.O.E. %	N.O.E. Sh. %	Divid. Sh. %
Republic N't Bank	$72½	$1.68	2.4	$3.10*	23.4	48.6	32.5	38.8
First N'l (Dallas)	65¾	1.50	2.3	2.87	24.1	36.0	20.7	12.8
1st City N'l (H'ust'n)	40¾	1.25	3.1	2.70	15.1	42.1	11.1	48.8

* Estimated earnings which include the Howard Corp. dividend.

AS WE SEE IT

Continued from page 1

done in a number of segments of this span of years. To lay a basis for comparison we first set down the record of population growth. During the half century ended in 1960 population in this country rose from 92.4 million to 179.3 million, an increase of some 94%; from 1920 to 1960 the rise was some 68%; during the past three decades the rise was about 46%; in the two decades just past the increase was 36%, while the last decade in the half century found us increasing some 18%.

Production and Population

Now against that increase of 94% in population between 1910 and 1960 we achieved a 1313% increase in GNP. It can hardly be said that we barely kept up with the growth of population during that half century! Now, of course, a substantial part of that rise was due to price increases—though such matters do not usually trouble Mr. Khrushchev very much when he wants to make a propaganda point. But as a matter of fact, even if we take out the effect of price changes the rise in the total output of our economy was well over 300%. Our growth as thus measured was more than 250% from 1920 to 1960 even when the effect of price changes are removed. Let it be recalled that population increased over this period only 68%. Naturally our gains from the rather depressed years, 1930 and 1940 to 1960 were proportionately large in each case — even when the effect of rather large price changes is eliminated. The per capita results are better, too, despite the population "explosion" in the interim.

In Just Ten Years!

But we do not need to depend on the records made a good many years ago. Our record even during the past decade gives the lie to the Kremlin spokesmen. During that decade the increase in population, it will be recalled, was 18%. The rise in GNP was 77%, and when the effect of price changes is removed the figure stands at some 39%. Let it be remembered that the year 1960 was in no way an outstanding one. In fact there has been a good deal of talk about how unsatisfactory the results of industry and trade in that year had to be adjudged. On the other hand, the year 1950 was a high point in production partly if not chiefly by reason of the Korean War. So much has been written and said about our allegedly unsatisfactory growth rate in recent years, and so often the "proof" consisted in citations from our Gross National Product statistics, there is danger that some of Mr. Khrushchev's snide remarks about us and our economy may make more of an impression than the facts warrant. The figures that we have cited here should go a good way toward preventing any such misapprehension.

But the case need not rest merely upon comparative GNP figures. Take some of the more easily grasped indications of our progress. Surely steel making capacity should be a good measure of industrial growth — better than actual production of steel in any chosen single year since steel is notoriously a feast and famine industry. Our steel making capacity (ingots and castings) was 82,000,000 tons in 1940; two decades later it was 149,000,000 tons. The increase was 82%. In 1950 the figure was 100,000,000 tons against the 149,000,000 tons figure a decade later. Here is an increase in a single decade of some 49%. There is probably no better single index of the progress of modern industry over an extended period. Another almost (perhaps quite) as significant measure is the output of electricity. In 1940 our output of electric energy was 142 billion kilowatt hours; by 1950, a decade later, the figure was 329 billion kilowatt hours, an increase of 131%. The next decade brought the total output to 840 billion kilowatt hours or another rise of 155%. There is no suggestion of the decadent in these statistics. Let us not permit Mr. Khrushchev to give us wrong impressions of ourselves and our achievements.

Facts Are Plentiful

There is no point in further elaboration of statistics. Many other instances of vigorous growth—far greater than the growth in population — are available in many sources. The trouble—or one of them —is that the Kremlin does not have to bother about facts when it wishes to convince its people of this, that, or the other claim of Russian or communistic achievements. Great care is taken to see to it that the great rank and file of the Russians know little or nothing of the facts. This is a situation which is unfortunate in the extreme, but one about which the outside world can not do a great deal. What we can do is to be certain that the Kremlin diatribes do not influence our thinking about ourselves, and the best remedy is wide dissemination of crucial facts to those who do not have the time or who will not take the trouble to dig them up for themselves.

It would also help if our own politicians and other officials who do have access to the facts would refrain from mournful and quite unwarranted pessimism in their public utterances.

Productivity—Challenge to The American Economy

Continued from page 3

is not, perhaps, tenable except under an assumption which no economist will ever make: that from here on out for the next 20 years what the market will want is this grade of paper, or this grade of steel, or this pattern of china. The economist knows that the day one goes "on stream," the market will want something else. This is our first lesson. Management is an economic function and not a technical function. It uses technical thinking and technical processes, but is not dedicated to their advancement per se.

Secondly, we have forgotten that when the economist says productivity is the result of these four factors — capital investment, technological innovation, upgrading of the labor force and management — he implies, "provided they are being concentrated on the most effective areas."

"Concentrated" is the key word. One can question whether we are concentrating or whether we are frittering away these tremendous, powerful levers of improvement.

In one research program we often have 40 or 50 good people trying to do 600 projects. Anyone who has ever done any research management knows that either none of these projects is worth doing, or, that the important ones and the staff are hopelessly mixed in together and that none of them will get done.

Instead of doing the work, there will therefore be endless meetings on what work should be done. A great deal of our capital investment has gone into a kind of dispersed patching. To splinter our resources is perhaps the greatest managerial weakness into which our abundance has lured us. The reason why the Germans or the Japanese or the Italians have shown such tremendous productivity increase in the last few years — much greater than anything behind the Iron Curtain — is perhaps that they had to husband their resources, whereas we had resources in abundance. So they had to make the tough decision: "What comes first?" Which also means, "what do we not do? What do we abandon?"

These decisions are very tough and very painful. But they are essentially what management is paid for. Management earns its keep through the one crucial risk-taking decision, what to postpone and what to do first? We have escaped in far too many cases by saying, "let's do a little bit of everything." This way one gets nothing done.

I started with castigating management because I think it is always proper to find first the beam in one's own eyes before looking for the mote in other peoples' eyes, let alone for beams in other peoples' eyes. But I think that there are two other areas where we know, again perhaps with hindsight, that we are endangering productivity by our habits and policies.

New Equipment vs. Maintenance Tax Costs

First, our performance is presumptive evidence that our tax system is doing damage. In analyzing what intelligent, responsible, good managements are doing, one finds one area where the tax system distorts. Everybody who has worked with capital programs for facilities, machinery or equipment, has learned one way or another that one must look upon all money spent on equipment as being cost of capital. Whether it is maintenance or repair or replacement, it is cost of capital. All the formulae we have been developing for capital equipment decisions are simply based on this one insight. When you look at our tax policy, however, it penalizes this approach to such an extent that it is almost impossible to follow it. The maintenance dollar we spend costs us about between half and two-thirds of what the new equipment dollar costs. We can expense maintenance without any restrictions, without anybody ever asking the question, "Was it necessary?" No tax audit we ever heard of has ever questioned maintenance expense, provided the vouchers are there.

But as to capital equipment (and this is particularly true of regulated industries who are very heavy investors) we have imposed depreciation schedules, which not only seriously increase the cost of the dollar but also in many cases put restrictions on how many and what kind of dollars I can spend.

An industrial country which attempts to restrict depreciation by industry, anyway, is insane. The only proper policy is to treat it as a disactioning managerial decision and to accept any decision as long as management doesn't write off the same piece of equipment more than once. Accelerated depreciation is fine. But it is a small, and not the most central, part of the problem which lies in the fact that with our present tax rates, the accountants' perfectly rational distinction (for their purposes) between maintenance and capital is being biased in favor, heavily, of keeping on mending and keeping on patching, simply because any dollar we use for that purpose cost us so much less than the dollar for new equipment. Comparable enterprises in different countries, in countries where this rather peculiarly Anglo-American distinction is not applied by the tax authority, such as Japan or Sweden or Germany, where the tax system allows very freely to expense capital and to capitalize maintenance, the same industries have made very different decisions. Industries without any war damage have re-equipped abroad, whereas we have patched and modernized and maintained.

So there is a strong suspicion that here is a major contributing factor to what is becoming "technical inferiority" in a good many American industries.

Singles Out Faulty Labor Concepts

Finally, there is a labor relations problem, but it is not wage rates. It is not, perhaps, even wage costs. It is basic concepts. If we want to restore our capacity to improve productivity rapidly, while at the same time be a high-wage and high-employment country (which is the traditional American achievement), we will have to learn to reverse two almost axiomatic rules of labor relations of today.

Rule 1—That a wage increase is not inflationary as long as the productivity in the industry that grants it has risen as fast as the wage rate. No part of the productivity gain is passed on to the consumer. But when you have an international payments problem this is not permissible. The foreign consumer does not greatly care whether we are non-competitive because our wages are too high, or because our profits are too high.

This is particularly pertinent as our foreign trade position is worse than the figures indicate. We have weakened in our capacity to compete at a time when the terms of trade have swung heavily in our favor. We buy, primarily, raw materials, the prices of which have dropped by 50% since 1953. And we sell, primarily, highly machined products, the prices of which have almost doubled since 1953. Today we are selling about two-thirds of the volume we sold in the early fifties but getting a good deal more money for it because prices have risen so fast. And we buy well over twice the raw materials we then bought and pay no more for them.

This is not going to last. We are perhaps, not at the moment when the gap in the terms of trade is at its widest, not very far away from it. And as it begins to close again, as it has always done, we are in danger of seeing a dis-proportionately fast weakening of our foreign trade position and of our foreign payments position. This, we can not afford.

The concept of productivity, that it is all right to raise labor costs as long as no more is given to labor than the productivity gain, is therefore suicidal. We have to change the rule, therefore.

The second axiom that is wrong is that we look upon the impact of labor costs in terms of the industry itself. But we have to see what is the impact on the economy. A few industries are pace-setters. The impact of a labor cost agreement in one of these industries just goes through the whole economy, which actually multiplies the effect.

And so the second axiom we have to change is that it is all right for a few manufacturing industries to be pace-setters. If we want to have pace-setters, they have to be service industries. This is the bulk of the employment today and the bulk of our labor cost, rather than in the manufacturing industry.

If we want to say that we can increase labor costs proportionate to productivity, then it's got to be proportionate to the productivity of the service areas.

We have to change those two axioms in labor relations and have altogether to accept the fact that the impact of our wage costs and our competitive position in the world, rather than the relationship to physical productivity, is the basic yardstick against which we measure what we can and what we cannot, what we should and what we should not do.

Must Practice What We Preach

I have simply pinpointed a few major areas in which a lot of work has to be done. The most important thing, probably is, however, not that we realize that we have to do these things. We have to accept what we have been preaching the last 15 years to all and sundry, except to ourselves, that it is the job of all forces in the economy — management, government and labor — to see in the advancement of economic productivity the basic yardstick and goal of economic activity in our country.

We have been preaching this to the Europeans, to the Latin Americans, to the Japanese, to the Indians, preaching to everybody— and a good many people have been going out and have preached it, myself included.

And they have listened. And wherever they listened the results were amazing. For once, what we were teaching worked. We now have to learn and do it ourselves. This is essentially a re-arrangement of priorities, a re-arrangement of attitudes, rather than a doing of different things.

The specific crises, the specific problems which the new Administration is talking about and may tackle in one way or another, have to be talked about and tackled, though some of them may perhaps not be quite what this or that expert thinks they are. But the underlying, basic, new fact in the American economy has not been identified by the public, or by the government, or by business, or by labor, and has not yet been ac-

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Productivity—Challenge to Our Economy

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cepted. It is: We don't have to worry about the Russian growth rate—all we have to do is keep up our end in the productivity competition with our own kin and friends in the free countries. They are moving much faster than the Russians, most of them.

None of the basic problems in economic policy, whether domestic or international, can be tackled by us unless we have the foundation of an economy that again leads in productivity increase, or at least holds its own with whoever does the best job outside.

This is the foundation. If we do not have it, we will have neither the economic strength nor the leadership prestige we need in a very dangerous world. We will not have the economic performance we expect. We will have to keep on spot-welding and sweating out a great many nasty, painful crises, without ever getting to the point where we can lead economically from strength.

I have over-dramatized quite intentionally. We are still ahead, but not because we are moving fast but because the others started from so far back. They are closing the distance every day in practically all industries. There are very few industries in this country today which, in terms of relative productivity, are where they were five or eight or even 25 years ago. Industry after industry is drifting and is very proud of making a little headway, while other countries are racing ahead.

This, I think, we have to accept as the challenge. It is not something that more government spending can cure, or more this or more that. The only thing that can cure it essentially is a reorientation of attitude, a realignment of priorities, which puts building and maintaining strength and capacity to build strength first. It is not a goal in itself, but it is the foundation for all the other goals we might have.

This is all I have to say. I don't think this is the place to go into "how to do" since many know much better "how to do" in most areas than I do.

*An address by Dr. Drucker, the second of a series of lectures on "Our Changing Economy" delivered at the Graduate School of Business Administration, New York University, New York City.

C. J. Lennihan With Hooker & Fay, Inc.

(Special to The Financial Chronicle)

SAN FRANCISCO, Calif—Charles J. Lennihan, III has become associated with Hooker & Fay, Inc., 221 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Lennihan was formerly with Hannaford & Talbot and in the past was an officer of Scott, Bancroft & Co.

Form A. Carlotti Co.

PROVIDENCE, R. I.—A. Carlotti & Co., Inc. has been formed with offices in the Industrial Bank Building to engage in a securities business. Officers are Albert Carlotti, President and Treasurer; Albert E. Carlotti, Jr., Vice-President; Rose Carlotti, Secretary, and Christopher T. Del Sesto, Assistant Secretary.

With Johnston Co.

(Special to The Financial Chronicle)

CLEVELAND, Ohio — Peter M. Hourmouzis is now affiliated with Johnston & Co., Inc., Hanna Building. He was formerly with J. N. Russell & Co.

STATE OF TRADE AND INDUSTRY

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some buyers will increase their inventories because they expect steel prices to go up in October.

Steelmakers in Pittsburgh, although optimistic, wonder why the auto companies are not placing bigger orders for September if they really intend to build 500,000 cars next month. At some mills, September releases are only slightly larger than August's.

The only explanation some sales executives can offer is that buyers are deliberately holding back until labor negotiations are settled and there's no danger of a strike.

In Chicago, steelmakers have more orders in hand for September than they had for August a month ago, but the improvement they've seen does not reflect any pickup in automotive demand.

Although the makers of steel are puzzled by the slowness of automotive ordering, they still expect August shipments to top July's. What is more, they expect September shipments to be at least 10% higher than August's. There is no evidence yet that buyers are hedging against the possibility of a price hike.

Steel says market analysts figure domestic consumers reduced steel inventories by 1.3 million tons in the first half. They say domestic consumers received 31.7 million tons and consumed 33 million tons.

Almost all liquidation was in the first quarter. During the second quarter, receipts and consumption were balanced at about 17.7 million tons each.

Third quarter consumption will be about the same as the second quarter's but shipments may be slightly higher. Inventories may rise by about 500,000 tons.

Brighter steelmaking prospects are giving strength to the scrap market. *Steel's* price composite on No. 1 heavy melting grade is at the highest level since mid-June, reaching $38 a gross ton.

Steel Production Data for the Week Ended Aug. 12

According to data complied by the American Iron and Steel Institute, production for week ended Aug. 12, 1961 was 1,910,000 tons (*102.5%), 3.2% above the output of 1,850,000 tons (*99.3%) in the week ended Aug. 5.

Production this year through Aug. 12 amounted to 56,146,000 tons (*94.2%) or 18.9% in the period through Aug. 13, 1960.

The Institute concludes with Index of Ingot Production by Districts, for week ended Aug. 12, 1961, as follows:

	*Index of Ingot Production for Week Ending August 12, 1961
North East Coast	107
Buffalo	86
Pittsburgh	94
Youngstown	94
Cleveland	104
Detroit	119
Chicago	105
Cincinnati	120
St. Louis	107
Southern	105
Western	108
Total	102.5

Five U. S. Auto Manufacturers Will Produce 400 Variations Of Their 1962 Cars

The greatest array of different models in the history of the automobile will go into production next week, *Ward's Automotive Reports* said.

The statistical agency said that the five major U. S. auto makers will produce some 400 different versions of their cars in the 1962 model year, somewhat more than the almost bewildering variety seen thus far in 1961.

A new concept in car size will provide one variation. Between the so-called compact car and the standard-size model, the auto industry will offer a happy medium, the "in-between" car. Probably sometime later in the year, *Ward's* said, car makers will also some forth with a "pocket-sized," or sub-compact model.

Surveying the trend in auto body styles, *Ward's* said that for the 1961 model year, the standard four-door sedan was the most popular with the buying public, reflecting nearly 40.0% of model demand. Including the hardtop versions and station wagons, four-doors accounted for slightly under two thirds or 65.8% of 1961 model output, compared with 65.1% in 1960 model autos and 63.0% of 1959s.

The newest trends in car styling, however, are not restricted to a simple count of doors, seats or windows. Sporty, front bucket seats divided by consoles; floor-mounted manual gear shifts, and vinyl-clad roofs (for a convertible appearance) seem "all the rage."

The auto companies will begin the race to produce this assortment of cars Monday. Studebaker-Packard Corp., shut down since June 21, completed initial framing operations this week, and should be in final assembly at the week's outset. Chrysler Corp. and American Motors will initiate their 1962 operations next week, as will General Motors, whose Chevrolet division has barely concluded 1961 operations.

Ford Motor Co., which produced an estimated 19,790 1961 model cars this week, will still have Dearborn (Mich). and Atlanta plants in that production next week. A strike at the St. Louis plant continued through its third week, and may force an extension of 1961 operations there. Ford will begin 1962 production at some sites, however, by Aug. 21.

Ford Motor Co.'s output this week comprised the bulk of industry production. General Motors completed only an estimated 140 pilot 1962 models.

Business Failures Off in Week Ended Aug. 10, From Peak In Prior Week

Commercial and industrial failures fell to 343 in the week ended August 10 from 406 in the preceding week, reported Dun & Bradstreet, Inc. Despite this downturn, casualties remained noticeably higher than a year ago when 308 occurred or in 1959 when there were 269. Also, current business mortality exceeded by 36% the prewar toll of 252 in the comparable week of 1939.

Failures involving liabilities of more than $100,000 dipped to 28 from 49 in the previous week and 38 last year. A decrease also took place among casualties with losses under $100,000 which turned down to 315 from 357 but continued above the 270 of this size a year earlier.

Most of the week's decline was concentrated in retailing where the toll dropped to 168 from 237 last week. As well, there were mild dips in manufacturing, off to 52 from 53, and in construction, off to 57 from 61. In contrast, increases lifted the toll among wholesalers to 35 from 30 and among service concerns to 31 from 25. More businesses succumbed than last year in all industry and trade groups except wholesaling.

All geographic regions except the West South Central States had lower mortality than in the previous week. Casualties in the Middle Atlantic States fell off moderately to 99 from 118, in the South Atlantic to 45 from 59, in the East North Central to 56 from 68, and in the Pacific to 64 from 73. In the week's only regional rise, the West South Central toll climbed to 27 from 19. Trends from 1960 levels were mixed; five regions had more failures than a year ago and four had fewer casualties. The steepest upswings from last year occurred in the South Atlantic and South Central States while the sharpest decline appeared in the Pacific States.

Thirty Canadian failures were recorded as against 34 in the preceding week and 37 in the corresponding week of 1960.

Electric Output 6.9% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Aug. 12, was estimated at 16,080,000,000 kwh. according to the Edison Electric Institute. Output was 57,000,000 kwh., below that of the previous week's total of 16,137,000,000 kwh. and 1,043,000,000 kwh., or 6.9% above that of the comparable 1960 week.

Lumber Shipments Were 1.3% Below 1960 Volume

Lumber production in the United States in the week ended Aug. 5, totaled 221,214,000 board feet compared with 231,649,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 223,835,000 board feet.

Compared with 1960 levels output dropped 1.1%, shipments fell 1.3%, and orders rose 3%.

Following are the figures in thousands of board feet for the weeks indicated:

	Aug. 5 1961	July 29 1961	Aug. 6 1960
Production	221,214	231,649	223,835
Shipments	222,566	239,200	225,400
Orders	225,370	230,657	218,177

Freight Car Loadings for Week Ended Aug. 5 Was 4/10ths of 1% Below Preceding Week

Loading of revenue freight in the week ended Aug. 5 totaled 588,969 cars, the Association of American Railroads announced. This was a decrease of 2,387 cars or four-tenths of one per cent below the preceding week.

The loadings represented a decrease of 5,475 cars or nine-tenths of one per cent below the corresponding week in 1960, but an increase of 56,710 cars or 10.7% above the corresponding week in 1959 (during the steel strike).

There were 11,015 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended July 29, 1961, (which were included in that week's over-all total). This was a decrease of 302 cars or 2.7% below the corresponding week of 1960 but an increase of 3,301 cars or 42.8% above the 1959 week.

Cumulative piggyback loadings for the first 30 weeks of 1961 totaled 327,769 for an increase of 11,803 cars or 3.7% above the corresponding period of 1960 and 94,102 cars or 40.3% above the corresponding period in 1959. There were 58 Class I U. S. railroad systems originating this type traffic in the current week compared with 55 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage for the Aug. 5th Week Was 3% Ahead of The Same 1960 Week

Intercity truck tonnage in the week ended Aug. 5, was an even 3.0% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc., announced. Truck tonnage was 2.7% greater than that of the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Wholesale Commodity Price Index Reaches Another High for Year

The general wholesale commodity price level climbed again in the past week reaching a new high of 274.27 on August 11 but easing off slightly this Monday. However, the index remained above the similar date a week ago and exceeded noticeably the comparable level last year. Increases in prices quoted for scrap steel, tin, and livestock accounted primarily for the week's rise. Only four commodities were priced lower—wheat, rye, oats and lard.

The Daily Wholesale Commodity Price Index stood at 274.01 (1930-32 = 100) on Monday, August 14, compared with 272.95 in the prior week and 267.87 on the same day a year ago.

Wholesale Food Price Index Highest in Sixteen Weeks

A moderate rise in the Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., lifted it to the highest level in 16 weeks and slightly above the similar period a year ago. On Aug. 15, the Index inched up 0.8% to $5.99 from $5.94 in the prior week and was 1.4% above the $5.91 on the similar date last year.

Higher in price were wheat, corn, oats, beef, hams, lard, cheese, sugar, cottonseed oil, cocoa, eggs and steers. There were only three declines—in rye, bellies and hogs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Consumer Buying Eases Off for Latest Week

Retail purchases slowed in most areas in the week ended Wednesday Aug. 9, and barely matched their year-ago levels. There was a lull in sales of women's apparel, while buying of household furnishings varied widely by regions but on a national basis held about even. Men's clothing and linens provided the only bright note in the week's trend.

The total dollar volume in retail trade in the week ended this Wednesday was 2% below to 2% higher than last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1960 levels by the following percentages: South Atlantic 0 to +4; Pacific —1 to +3; Middle Atlantic, East South Central and Mountain —2 to +2; New England and West South Central —3 to +1; East North Central and West North Central —4 to 0.

Nationwide Department Store Sales Increase 3% Above The 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Aug. 5, 1961, showed a rise of 3% over the like period last year. For the week ended July 29, an increase of 2% was reported. The four-week period ended Aug. 5, 1961, sales advanced 3% over last year.

According to the Federal Reserve System, department store sales in New York City for the week ended Aug. 5, were 2% higher than the same period last year. In the preceding week ended July 29, sales were 7% higher than in the same period last year. For the four weeks ending Aug. 5, a 4% increase was reported above the 1960 period, while from Jan. 1 to Aug. 5, a 2% increase over sales in the comparable period of 1960, was recorded.

Herrman, Partner

H. E. Herrman & Company, 26 Broadway, New York City, members of the New York Stock Exchange, have admitted Irving Bloomberg to limited partnership in the firm.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (per cent capacity)	Aug. 20	65.3	63.2	63.6	55.8
Equivalent to—					
Steel ingots and castings (net tons)	Aug. 20	1,910,000	1,850,000	1,860,000	1,559,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Aug. 4	7,024,160	7,945,210	6,969,610	6,836,260
Crude runs to stills—daily average (bbls.)	Aug. 4	8,466,000	8,397,000	7,954,000	8,254,000
Gasoline output (bbls.)	Aug. 4	30,626,000	30,449,000	28,636,000	29,040,000
Kerosene output (bbls.)	Aug. 4	2,737,000	2,732,000	1,995,000	2,492,000
Distillate fuel oil output (bbls.)	Aug. 4	14,037,000	13,214,000	12,560,000	12,873,000
Residual fuel oil output (bbls.)	Aug. 4	6,207,000	5,742,000	5,227,000	5,805,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Aug. 4	193,042,000	194,140,000	199,301,000	193,647,000
Kerosene (bbls.) at	Aug. 4	32,000,000	31,864,000	29,771,000	30,702,000
Distillate fuel oil (bbls.) at	Aug. 4	132,875,000	130,032,000	116,297,000	134,049,000
Residual fuel oil (bbls.) at	Aug. 4	49,472,000	50,226,000	48,641,000	43,014,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Aug. 5	588,969	591,356	424,984	594,444
Revenue freight received from connections (no. of cars)	Aug. 5	479,830	470,325	414,461	487,258
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					
Total U. S. construction	Aug. 10	$557,300,000	$458,100,000	$594,600,000	$435,500,000
Private construction	Aug. 10	240,000,000	211,200,000	185,700,000	273,200,000
Public construction	Aug. 10	317,300,000	246,900,000	408,900,000	162,300,000
State and municipal	Aug. 10	230,900,000	220,900,000	312,200,000	131,700,000
Federal	Aug. 10	86,400,000	26,000,000	96,700,000	30,600,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Aug. 5	7,925,000	*8,210,000	1,300,000	7,834,000
Pennsylvania anthracite (tons)	Aug. 5	347,000	333,000	64,000	357,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100	Aug. 5	132	125	114	128
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Aug. 12	16,080,000	16,137,000	15,071,000	15,037,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Aug. 10	343	406	304	308
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Aug. 7	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	Aug. 7	$66.44	$66.44	$66.44	$66.41
Scrap steel (per gross ton)	Aug. 7	$37.83	$37.17	$36.67	$31.83
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Aug. 9	30.600c	30.600c	30.600c	32.600c
Export refinery at	Aug. 9	27.925c	27.950c	28.820c	30.525c
Lead (New York) at	Aug. 9	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at	Aug. 9	10.800c	10.800c	10.800c	11.800c
‡Zinc (delivered) at	Aug. 9	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at	Aug. 9	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5%) at	Aug. 9	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at	Aug. 9	117.500c	116.500c	117.000c	103.750c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Aug. 15	86.02	85.73	87.42	89.19
Average corporate	Aug. 15	85.72	85.72	86.11	87.18
Aaa	Aug. 15	89.64	89.51	80.06	91.91
Aa	Aug. 15	87.86	87.72	88.27	89.64
A	Aug. 15	84.81	85.07	85.59	86.65
Baa	Aug. 15	80.93	80.93	81.17	81.29
Railroad Group	Aug. 15	83.28	83.28	83.53	84.43
Public Utilities Group	Aug. 15	86.51	86.65	87.45	88.40
Industrials Group	Aug. 15	87.45	87.32	87.59	88.95
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Aug. 15	4.08	4.10	3.90	3.61
Average corporate	Aug. 15	4.73	4.73	4.70	4.62
Aaa	Aug. 15	4.44	4.45	4.41	4.28
Aa	Aug. 15	4.57	4.58	4.54	4.44
A	Aug. 15	4.80	4.78	4.74	4.66
Baa	Aug. 15	5.11	5.11	5.09	5.08
Railroad Group	Aug. 15	4.92	4.92	4.90	4.83
Public Utilities Group	Aug. 15	4.67	4.66	4.60	4.53
Industrials Group	Aug. 15	4.61	4.61	4.59	4.49
MOODY'S COMMODITY INDEX	Aug. 15	377.1	374.9	369.5	365.5
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Aug. 5	371,056	310,951	228,454	340,650
Production (tons)	Aug. 5	328,490	316,686	202,725	320,464
Percentage of activity	Aug. 5	94	92	55	94
Unfilled orders (tons) at end of period	Aug. 5	517,880	471,652	449,261	477,251
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Aug. 11	114.40	114.43	114.00	109.42
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	July 21	2,121,360	2,314,760	2,485,440	1,990,120
Short sales	July 21	348,050	398,020	413,390	312,890
Other sales	July 21	1,763,520	1,862,670	2,179,400	1,650,590
Total sales	July 21	2,111,570	2,260,690	2,592,790	1,963,480
Other transactions initiated off the floor—					
Total purchases	July 21	170,390	202,220	291,870	254,420
Short sales	July 21	6,300	11,200	24,800	17,700
Other sales	July 21	216,470	240,850	345,140	234,620
Total sales	July 21	222,770	252,050	369,940	252,320
Other transactions initiated on the floor—					
Total purchases	July 21	676,695	612,086	770,937	519,220
Short sales	July 21	97,760	125,720	133,400	85,300
Other sales	July 21	587,867	738,083	800,361	495,750
Total sales	July 21	685,627	863,803	933,761	581,050
Total round-lot transactions for account of members—					
Total purchases	July 21	2,968,445	2,129,066	3,548,247	2,763,760
Short sales	July 21	452,110	534,940	571,590	415,890
Other sales	July 21	2,567,857	2,841,003	3,324,901	2,380,960
Total sales	July 21	3,019,967	3,376,543	3,896,491	2,796,850
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	July 21	1,461,819	1,730,436	1,699,060	1,465,486
Dollar value	July 21	$76,187,306	$91,154,745	$89,780,909	$72,910,673
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—customers total sales	July 21	1,359,996	1,555,537	1,664,644	1,316,374
Customers' short sales	July 21	18,093	12,446	13,982	8,432
Customers' other sales	July 21	1,341,903	1,543,091	1,650,662	1,307,942
Dollar value	July 21	$69,674,708	$78,218,253	$83,616,620	$63,256,848
Round-lot sales by dealers—					
Number of shares—Total sales	July 21	408,800	437,560	527,180	355,920
Short sales	July 21	------	------	------	------
Other sales	July 21	408,800	437,560	527,180	355,920
Round-lot purchases by dealers—Number of shares	July 21	510,300	602,800	546,380	527,010
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	July 21	586,370	796,900	733,490	517,110
Other sales	July 21	13,347,410	14,350,300	16,021,130	12,520,170
Total sales	July 21	13,933,780	15,147,200	16,754,620	13,037,280
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	Aug. 8	118.9	118.7	118.7	119.4
Farm products	Aug. 8	87.3	86.3	86.5	87.1
Processed foods	Aug. 8	107.8	107.3	107.7	107.8
Meats	Aug. 8	93.2	91.5	93.1	96.6
All commodities other than farm and foods	Aug. 8	127.6	127.7	127.5	128.3

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:			
Steel ingots and steel for castings produced (net tons)—Month of June	8,551,000	8,980,626	7,404,873
Shipments of steel products (net tons)—Month of June	6,133,519	6,047,691	5,920,860
AMERICAN ZINC INSTITUTE, INC.—Month of July:			
Slab zinc smelter output all grades (tons of 2,000 pounds)	69,755	72,816	73,754
Shipments (tons of 2,000 pounds)	70,971	78,050	54,381
Stocks at end of period (tons)	206,604	207,820	207,059
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC.—217 CITIES—Month of June:			
New England	$36,607,297	*$27,901,287	$30,690,427
Middle Atlantic	158,099,596	246,839,509	168,151,316
South Atlantic	75,174,117	59,224,342	58,577,639
East Central	161,364,658	*138,783,728	107,942,464
South Central	112,357,143	136,052,995	114,685,308
West Central	76,380,120	*55,518,858	40,872,229
Mountain	33,250,001	26,516,562	36,382,736
Pacific	138,936,905	150,967,922	139,689,162
Total United States	$794,041,837	*$844,238,203	$696,991,281
New York City	115,105,254	179,626,087	130,143,750
Total outside New York City	$678,936,583	*$664,612,116	$566,847,531
COAL EXPORTS (BUREAU OF MINES)—Month of June:			
U. S. exports of Pennsylvania anthracite (net tons)	159,112	94,809	153,800
To North and Central America (net tons)	134,756	81,239	135,695
To Europe (net tons)	16,715	13,451	16,301
To South America (net tons)	4,513	45	16
To Asia (net tons)	922	------	1,788
COAL OUTPUT (BUREAU OF MINES)—Month of July:			
Bituminous coal and lignite (net tons)	26,535,000	31,960,000	25,275,000
Pennsylvania anthracite (net tons)	1,180,000	1,372,000	1,186,000
CONSUMER PRICE INDEX — 1947-49 = 100—Month of June:			
All items	127.6	127.4	126.5
Food	120.9	120.7	120.3
Food at home	117.8	117.7	117.7
Cereal and bakery products	139.7	139.7	136.1
Meats, poultry and fish	107.4	108.7	110.3
Dairy products	117.3	117.5	115.0
Fruits and vegetables	135.4	132.2	136.1
Other food at home	106.0	105.8	104.5
Food away from home (Jan. 1953=100)	121.2	120.9	118.8
Housing	132.4	132.2	131.3
Rent	143.5	143.4	141.6
Gas and electricity	126.3	126.2	124.7
Solid fuels and fuel oil	135.6	136.5	132.3
Housefurnishings	103.9	103.5	104.3
Household operation	138.9	138.7	137.3
Apparel	109.6	109.6	108.9
Men's and boys'	111.4	111.7	109.8
Women's and girls'	99.4	99.3	99.1
Footwear	140.8	140.8	140.1
Other apparel	92.6	92.8	93.1
Transportation	147.7	146.6	145.8
Private	135.3	134.2	134.1
Public	207.3	206.5	199.7
Medical care	160.9	160.4	156.1
Personal care	132.9	132.8	135.2
Reading and recreation	123.5	123.9	121.1
Other goods and services	133.1	133.1	132.0
COPPER INSTITUTE—For month of July:			
Copper production in U. S. A.—			
Crude (tons of 2,000 pounds)	99,996	*113,125	102,074
Refined (tons of 2,000 pounds)	128,447	141,140	132,697
Delivered to fabricators—In U. S. A. (tons of 2,000 pounds)	113,431	139,700	83,788
Refined copper stocks at end of period (tons of 2,000 pounds)	82,856	89,006	93,102
MOODY'S WEIGHTED AVERAGE YIELD—100 COMMON STOCKS—Month of July:			
Industrials (125)	3.00	3.10	3.49
Railroads (25)	5.08	5.07	5.75
Utilities (not incl. Amer. Tel. & Tel.) (24)	3.19	3.26	3.77
Banks (15)	3.19	3.27	4.04
Insurance (10)	2.35	2.48	2.93
Average (200)	3.05	3.16	3.60
NEW CAPITAL ISSUES IN GREAT BRITAIN MIDLAND BANK LTD.—Month of July	£108,929,000	£93,275,000	£55,913,000
PORTLAND CEMENT (BUREAU OF MINES)—Month of June:			
Production (barrels)	31,894,000	31,102,000	31,930,000
Shipments from mills (barrels)	33,739,000	31,030,000	34,045,000
Stocks at end of month (barrels)	37,353,000	39,709,000	37,667,000
Capacity used (per cent)	88	84	91
RAILROADS EARNINGS CLASS I ROADS (ASSOCIATION OF AMERICAN RRs.)—Month of June:			
Total operating revenues	$796,366,373	$778,512,688	$824,448,260
Total operating expenses	613,588,862	617,279,436	664,166,147
Taxes	89,715,061	86,831,458	92,287,800
Net railway operating before charges	59,367,061	40,777,688	57,110,972
Net income after charges (estimated)	43,000,000	26,000,000	43,000,000
REAL ESTATE FINANCING IN NONFARM AREAS OF U. S. — HOME LOAN BANK BOARD—Month of May (000's omitted):			
Savings and loan associations	$1,199,278	$1,037,724	$1,051,293
Insurance companies	100,152	89,392	114,497
Banks and trust companies	444,044	386,300	401,599
Mutual savings banks	137,933	114,337	119,798
Individuals	314,119	287,952	339,193
Miscellaneous lending institutions	504,386	441,872	473,781
Total	$2,699,912	$2,357,577	$2,500,161
U. S. GOVT. STATUTORY DEBT LIMITATION As of July 31 (000's omitted):			
Total face amount that may be outstanding at any time	$298,000,000	$293,000,000	$293,000,000
Outstanding—			
Total gross public debt	292,404,093	288,970,938	288,338,271
Guaranteed obligations not owned by the Treasury	238,628	240,215	134,189
Total gross public debt and guaranteed obligations	$292,642,766	$289,211,154	$288,472,460
Deduct—Other outstanding public debt obligations not subject to debt limitation	444,091	349,291	404,548
Grand total outstanding	$292,198,629	$288,861,862	$288,067,911
Balance face amount of obligations issuable under above authority	5,801,370	4,138,137	4,932,088
UNITED STATES GROSS DEBT DIRECT AND GUARANTEED—(000's omitted):			
As of July 31	$292,642,721	$289,211,154	$288,472,460
General funds balance	6,592,806	6,694,119	6,998,292
Net debt	$286,049,915	$282,517,035	$281,474,168
Computed annual rate	3.863%	3.072%	3.260%

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
• ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

★ A. & E. Plastik Pak Co., Inc.
Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). **Price**—$7.50. **Proceeds**—For equipment and working capital. **Office**—652 Mateo Street, Los Angeles. **Underwriters**—Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

Abbey Automation Systems, Inc. (8/29)
June 6, 1961 filed 100,000 common shares. **Price** — $3. **Business**—The design, manufacture and sale of automation equipment for industry. **Proceeds**—For new facilities, sales program, demonstration laboratory and working capital. **Office**—37-05 48th Avenue, Long Island City, N. Y. **Underwriter**—John Joshua & Co., Inc., New York.

Abby Vending Manufacturing Corp.
July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The manufacture of coin operated vending machines. **Proceeds**—For moving expenses, an acquisition and working capital. **Office**—79 Clifton Place, Brooklyn, N. Y. **Underwriter** — L. H. Wright & Co., Inc., 135 Broadway, New York.

Accesso Corp.
Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par $10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. **Price**—$15 per unit. **Business**—The company is engaged in the design, manufacture and sale of fluorescent lighting systems, acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. **Proceeds**—For the repayment of loans and general corporate purposes. **Office** — 3425 Bagley Avenue, Seattle, Wash. **Underwriter** — Ralph B. Leonard & Sons, Inc., New York City (managing).

Acro Electronic Products Co.
July 17, 1961 filed 100,000 class A common shares. **Price** —$4. **Business** — The manufacture of transformers for electronic and electrical equipment. **Proceeds**—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. **Office**—369 Shurs Lane, Philadelphia. **Underwriter**—Roth & Co., Inc., Philadelphia.

A-Drive Auto Leasing System, Inc. (9/11)
Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. **Price**—$10 per share. **Business**—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. **Proceeds**—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. **Office**—1616 Northern Boulevard, Manhasset, N. Y. **Underwriter**—Hill, Darlington & Grimm, New York City (managing).

Admiral Plastics Corp.
July 27, 1961 filed 340,000 common shares, of which 20,000 shares are to be offered by the company and 320,000 shares by the stockholders. **Price**—By amendment. **Business**—The manufacture of plastic houseware products. **Proceeds**—For a new warehouse, repayment of debt and other corporate purposes. **Office** — 557 Wortman Ave., Brooklyn, N. Y. **Underwriter**—Shearson, Hammill & Co., New York (managing).

Advanced Electronics Corp. (8/22)
May 31, 1961 ("Reg. A") 150,000 class A shares (par 10 cents). **Price**—$2. **Business**—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. **Proceeds**—For research and development, equipment, repayment of loans and working capital. **Office**—2 Commercial St., Hicksville, N. Y. **Underwriter** — Edward Hindley & Co., New York City.

Advanced Investment Management Corp.
July 11, 1961 ("Reg. A") 100,000 common shares (par 25 cents). **Price**—$3. **Proceeds**—For purchase of furniture, reserves and working capital. **Office** — No. 15 Village Shopping Center, Little Rock, Ark. **Underwriter**—Affiliated Underwriters, Inc., 1321 Lincoln Avenue, Little Rock, Ark.

• Advanced Scientific Instruments, Inc. (9/5)
May 19, 1961 filed 875,000 shares of common stock. **Price** —$1.15 per share. **Business**—The company was formed in March, 1961 to engage in the development, manufacture, sale and lease of electronic, electro-mechanical and electro-optical equipment. **Proceeds** — For equipment, developmental work and working capital. **Office**—1208 Title Insurance Building, Minneapolis, Minn. **Underwriter**—Naftalin & Co., Minneapolis.

Aero-Dynamics Corp.
Aug. 7, 1961 filed 100,000 common shares. **Price**—$5. **Business** — The importation and distribution of Italian marble and mosaic tiles. **Proceeds** — For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. **Office**—250 Goffle Road, Hawthorne, N. J. **Underwriters**—Cambridge Securities, Inc. and Edward Lewis Co., Inc., New York.

Aero Fidelity Acceptance Corp.
July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). **Price**—$3. **Proceeds**—For repayment of loans, purchase of notes and equipment. **Office** — 185 Walton Avenue, N. W., Atlanta, Ga. **Underwriter**—Best & Garey Co., Inc., Washington, D. C.

Aero Space Electronics, Inc.
July 17, 1961 ("Reg. A") 80,000 capital shares (par 10 cents). **Price**—$3. **Proceeds**—For repayment of debt and working capital. **Office**—2036 Broadway, Santa Monica, Calif. **Underwriter**—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Ainslie Corp.
June 29, 1961 ("Reg. A") 75,000 common shares (par $1). **Price**—$4. **Proceeds**—For purchase of equipment, repayment of debt and working capital. **Office**—531 Pond St., Braintree, Mass. **Underwriter** — First Weber Securities Corp., Boston, Mass.

Airbalance, Inc.
July 17, 1961 ("Reg. A") 60,000 common shares (par five cents). **Price** — $5. **Office** — 2046 E. Lehigh Ave., Philadelphia. **Underwriter**—A. Sussel Co., 1033 Chestnut St., Philadelphia.

Air Master Corp. (9/4)
May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture and sale of aluminum storm windows and doors, and other aluminum products. **Proceeds**—For working capital, and other corporate purposes. **Office**—20th Street, and Allegheny Avenue, Philadelphia, Pa. **Underwriter**—Francis I. du Pont & Co., New York City (managing).

• Airtronics International Corp. of Florida
June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and 89,000 shares by stockholders. **Price**—By amendment. **Business** — The manufacture of electronic, mechanical and electro-mechanical rocket and missile system parts and components. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—6900 West Road 84, Fort Lauderdale, Fla. **Underwriters** — Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc. (managing). **Offering**—Expected in October.

Aksman (L. J.) & Co., Inc.
July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price**—$3. **Business**—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. **Proceeds**—For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. **Office**—1425 Utica Avenue, Brooklyn 3, N. Y. **Underwriters**—Rothenberg, Heller & Co., Inc. and Carroll Co., New York.

Alaska Honolulu Co.
July 24, 1961 filed 1,600,000 common shares and oil leases on 400,000 acres to be offered in 625 units each consisting of 640 acres and 2,560 shares. **Price**—$2,560 per unit. **Business**—The exploration and development of oil and gas properties in Alaska. **Proceeds**—For general corporate purposes. **Office**—120 S. Third St., Las Vegas, Nev. **Underwriter**—None.

Alix of Miami, Inc. (8/14)
June 8, 1961 filed 100,000 class A common shares, of which 70,000 are to be offered by the company and 30,000 by stockholders. **Price**—$9. **Business**—Manufacturers of women's wear. **Proceeds**—For working capital. **Office** —2700 N. W. 5th Ave., Miami, Fla. **Underwriter**—Clayton Securities Corp., Boston (managing).

All Star World Wide, Inc.
July 7, 1961 filed $250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. **Price**—For debentures, at par; for stock, $5. **Business**— The operation of bowling centers. **Proceeds**—For expansion and general corporate purposes. **Office** — 100 W. Tenth St., Wilmington, Del. **Underwriters**—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

• Allied Stores Corp. (9/21)
Aug. 4, 1961 filed $27,006,200 of convertible subordinated debentures due Oct. 1, 1981 to be offered for subscription by stockholders on the basis of $100 of debentures for each ten shares held. **Price**—By amendment. **Business**—The operation of department stores. **Proceeds**— For general corporate purposes. **Office**—401 Fifth Ave., New York. **Underwriter**—Lehman Brothers, New York (managing).

• Allstate Bowling Centers, Inc.
May 19, 1961 filed 300,000 shares of capital stock, of which 200,000 shares are being sold for the account of the company and 100,000 shares for All-State Properties, Inc., parent. The stock is being offered for subscription by holders of All-State Properties on the basis of one share for each nine shares held of record Aug. 11, with rights to expire Aug. 28. **Price**—$10. **Business**—The construction and operation of bowling centers in several states. **Proceeds**—For expansion and working caiptal. **Office**—30 Verbena Avenue, Floral Park, N. Y. **Underwriter**—Bear, Stearns & Co., New York City.

• Almar Rainwear Corp. (8/28)
April 28, 1961 filed 120,000 shares of common stock. **Price** — To be supplied by amendment. **Business** — The manufacture and sale of plastic film raincoats and related items for men, women and children. **Proceeds**—

Financing For Nationwide Homes

Cruttenden, Podesta & Co., Chicago and McDaniel Lewis & Co., Greensboro, N. C., are joint managers of an underwriting group which is offering publicly today (Aug. 17), $1,500,000 of 8% sinking fund debentures due July 15, 1976 and 300,000 common shares of Nationwide Homes, Inc. The securities are being offered in units, each consisting of $10 principal amount of debentures and two common shares, at $22 per unit.

The company with headquarters at Collinsville, Va., is engaged in the construction and sale of homes. It will use the proceeds from this financing for working capital.

Other members of the underwriting group include: H. M. Byllesby & Co., Inc.; Mason & Lee, Inc.; J. R. Williston & Beane; John W. Yeaman; Baker, Simonds & Co., Inc.; C. F. Cassell & Co., Inc.; Westheimer & Co.; Interstate Securities Corp.; Mullaney, Wells & Co.; Burton J. Vincent & Co.; Zuckerman, Smith & Co.; Henry L. Mitchell & Co.; Penington, Colket & Co., and Yates, Heitner & Woods.

Forms Whitmore & Co.

Ralph E. Whitmore, Jr. has formed Whitmore & Company with offices at 29 Broadway, New York City, to engage in a securities business. Mr. Whitmore was formerly a partner in Whitmore, Bruce & Co.

Sirota, Taylor Office

MIAMI BEACH, Fla. Sirota, Taylor & Co., Inc. has opened a branch office at 420 Lincoln Road under the direction of Gerald A. Peragine.

Form Earle Securities

Earle Securities Co., Inc., is conducting a securities business from offices at 350 Fifth Avenue, New York City. Sidney Brozman is a principal of the firm.

Federal Factors Units Offered

Thomas Jay, Winston & Co., Inc., Globus, Inc., New York City and associates are offering publicly, 7,000 units of Federal Factors, Inc., at $150 per unit. Each unit consists of $100 principal amount of 6½% convertible subordinated debentures due July 1, 1976 and 10 shares of common stock. The securities constituting the units are immediately transferable separately.

Proceeds will be used for the repayment of debt and for working capital.

The company of 400 South Beverly Drive, Beverely Hills, Calif., is engaged in the fields of factoring and secured financing in the state of California and Arizona.

For inventory, taxes, accrued sales commissions and working capital. **Office**—Washington, Ga. **Underwriter**—D. H. Blair & Co., New York City (managing).

Alpine Geophysical Associates, Inc.
July 28, 1961 filed 150,000 common shares. **Price** — By amendment. **Business** — The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—55 Oak St., Norwood, N. J. **Underwriter**—S. D. Fuller & Co., New York (managing).

Amcrete Corp.
May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business** — The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. **Proceeds**—For building test pools; advertising, inventory and working capital. **Office**—102 Mamaroneck Avenue, Mamaroneck, N. Y. **Underwriter**—Alexandria Investments & Securities, Inc., Washington, D. C.

Amerel Mining Co. Ltd.
July 31, 1961 filed 400,000 common shares. **Price**—50 cents. **Business**—The company is engaged in exploration, development and mining. **Proceeds**—For diamond drilling, construction, exploration and general corporate expenses. **Office**—80 Richmond St., W., Toronto. **Underwriter**—E. A. Manning, Ltd., Toronto.

Amerford International Corp.
June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$3.50. **Business**—International air and ocean freight forwarding. **Proceeds**—For expansion, advertising and working capital. **Office**—80 Wall St., New York. **Underwriters** — V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, Inc., New York.

★ **American Automatic Vending Corp.**
Aug. 15, 1961 filed 270,000 common shares. **Price**—By amendment. **Business**—The manufacture of vending machines. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—7501 Carnegie Ave., Cleveland, O. **Underwriter**—McDonald & Co., Cleveland.

● **American Electronic Laboratories, Inc. (8/25)**
May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. **Price**—To be supplied by amendment. **Business**—The company is engaged in research and development in the field of electronic communication equipment. **Proceeds**—For construction, new equipment, and other corporate purposes. **Office**—121 North Seventh Street, Philadelphia. **Underwriter**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa.

American Finance Co., Inc.
April 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one $200 debenture, 30 common shares and 10 warrants. **Price**—$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office** — 1472 Broadway, New York City. **Underwriter**—Lomasney, Loving & Co., New York City. **Offering**—Expected in September.

American Micro Devices, Inc.
Aug. 2, 1961 filed 1,500,000 class A common shares. **Price** — $1.15. **Business**—The manufacture of electronic components. **Proceeds**—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis.

American Mortgage Investment Corp.
April 29, 1960 filed $1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing $900 of bonds and 783 shares of stock. **Price**—$1,800 per unit. **Proceeds**—To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office** — 210 Center St., Little Rock, Ark. **Underwriter**—Amico. Inc. **Offering**—In late August.

American Packing Co.
June 29, 1961 filed 150,000 common shares. **Price**—$4.50. **Business**—The processing and sale of canned salmon. **Proceeds**—For general corporate purposes. **Office**—303 N. E. Northlake Way, Seattle. **Underwriter** — Joseph Nadler & Co., Inc., New York (managing).

American Realty Trust
July 25, 1961 filed 500,000 shares of beneficial interests. **Price**—$10. **Business**—A real estate investment company. **Office**—608 Thirteenth St., N. W., Washington, D. C. **Underwriter**—Stifel, Nicolaus & Co., Inc., St. Louis.

American Recreation Centers, Inc.
June 26, 1961 filed $1,250,000 of series A convertible subordinated debentures due 1973. **Price**—By amendment. **Business**—The operation of seven bowling centers. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office** — 1721 Eastern Ave., Sacramento, Calif. **Underwriter**—York & Co., San Francisco (managing).

★ **American Self Service Stores, Inc.**
Aug. 11, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The operation of self-service shoe stores. **Proceeds**—For repayment of loans and expansion. **Office**—1908 Washington Avenue, St. Louis. **Underwriter**—Scherck, Richter Co., St. Louis.

American Sports Plan, Inc.
June 29, 1961 filed 200,000 common shares. **Price**—$6. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—473 Winter Street, Waltham, Mass. **Underwriter**—None.

● **American Univend Corp. (8/21-25)**
May 29, 1961 filed 100,000 common shares. **Price** — By amendment. **Business**—The leasing of vending machines and the sale of merchandise for distribution therein. **Proceeds**—For the repayment of debt, purchase of additional machines, and other corporate purposes. **Office**—120 E. 56th St., New York. **Underwriter**—Robert A. Martin Associates, Inc., New York.

Amerline Corp. (8/28)
July 3, 1961 filed 150,000 outstanding class A common shares. **Price**—By amendment. **Business**—The manufacture of components and products for sale to manufacturers of magnetic tape, electronic computers, data processing machines, etc. **Proceeds**—For selling stockholders. **Office**—2727 W. Chicago Ave., Chicago. **Underwriter**—Dean Witter & Co., San Francisco (managing).

Amity Corp.
Jan. 17, 1961 filed 88,739 shares of common stock (par $1). **Price**—$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, including $170,000 for construction and $12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City. **Note**—This statement is expected to be refiled.

● **Amphicar Corp. of America**
June 15, 1961 filed 100,000 common shares. **Price**—$5. **Business**—The manufacture of amphibious automobiles. **Proceeds**—To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. **Office**—660 Madison Avenue, New York. **Underwriter**—To be named.

Anderson New England Capital Corp.
July 21, 1961 filed 400,000 common shares. **Price** — By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—150 Causeway Street, Boston. **Underwriter**—Putnam & Co., Hartford, Conn. (managing).

Animal Insurance Co. of America
June 29, 1961 filed 40,000 common shares. **Price**—$15.50. **Business** — The insuring of animals, primarily race horses, trotters and pacers. **Proceeds**—For expansion and general corporate purposes. **Office**—92 Liberty St., New York. **Underwriter**—Bernard M. Kahn & Co., Inc., New York (managing).

● **Anodyne, Inc. (8/18)**
June 20, 1961 filed $625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of $100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. **Price** — $100 per unit. **Proceeds** — For expansion and working capital. **Office**—1270 N. W. 165th St., North Miami Beach, Fla. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., New York.

Ansul Chemical Co.
July 24, 1961 ("Reg. A") 12,000 common shares (par $1). **Price**—By amendment. **Proceeds**—For working capital. **Address**—Marinette, Wis. **Underwriter**—Paine, Webber, Jackson & Curtis, Milwaukee.

Apache Corp. (9/1)
May 29, 1961 filed $750,000 of participating units in the Apache Canadian Gas & Oil Program 1961 to be offered for public sale in 100 units. **Price**—$7,500 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis. **Underwriter**—APA, Inc., Minneapolis.

● **Apache Corp. (9/1)**
March 31, 1961 filed 300 units in the Apache Gas and Oil Program 1962. **Price**—$15,000 per unit. **Business**—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. **Proceeds**—For general corporate purposes. **Office**—523 Marquette Ave., Minneapolis, Minn. **Underwriter** — The company and its subsidiary. APA. Inc., will act as underwriters for the Program. **Note**—This statement was effective Aug. 11.

Apache Realty Corp. (9/1)
March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation

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NEW ISSUE CALENDAR

August 18 (Friday)
Anodyne, Inc. ---------- Units
(Ross, Lyon & Co., Inc. and Globus, Inc.) $6,250,000
Atlantic Fund for Investment in U. S. Government Securities, Inc. ---------- Common
(Capital Counsellors) $50,000,000
Copycat Corp. ---------- Common
(Treves & Co. and Reich & Co.) $300,000
First Small Business Investment Co. of Tampa ---------- Common
(No underwriting) $6,250,000
Geoscience Instrument Corp. ---------- Common
(First Philadelphia Corp. and Globus, Inc.) $156,250
Long Island Bowling Enterprises, Inc. ---------- Common
(Trinity Securities Corp.) $300,000
Lytton Financial Corp. ---------- Capital
(William R. Staats & Co. and Shearson, Hammill & Co.) 300,000 shares
Techno-Vending Corp. ---------- Common
(International Services Corp.) $300,000
U. S. Fiberglass Products Co. ---------- Common
(Hauser, Murdock, Rippey & Co.) $400,000

August 21 (Monday)
American Univend Corp. ---------- Common
(Robert A. Martin Associates, Inc.) 100,000 shares
Bel-Aire Products, Inc. ---------- Common
(International Equities Co.) $300,000
Bid D Chemical Co. ---------- Class A
(No underwriting) $300,000
Business Funds, Inc. ---------- Capital
(Clark, Dodge & Co. Inc.; Alex. Brown & Sons and Rotan, Mosle & Co.) $14,300,000
Cellomatic Battery Corp. ---------- Common
(Armstrong & Co. Inc.) $250,000
Cosnat Record Distributing Corp. ---------- Common
(Amos Treat & Co.) 150,000 shares
Ets-Hokin & Galvan, Inc. ---------- Common
(Van Alstyne, Noel & Co.) 209,355 shares
Federal Tool & Manufacturing Co. ---------- Common
(Jamieson & Co.) $600,000
G-W Ameritronics, Inc. ---------- Units
(Fraser & Co.) $320,000
Gilbert Youth Research, Inc. ---------- Common
(McDonnell & Co.) 65,000 shares
Jaymax Precision Products, Inc. ---------- Common
(Armstrong & Co. Inc.) $300,000
MPO Videotronics, Inc. ---------- Common
(Francis I. du Pont & Co.) 60,000 shares
Marsan Industries, Inc. ---------- Common
(T. M. Kirsch & Co.) $600,000
Missile-Tronics Corp. ---------- Common
(Hopkins, Calamari & Co., Inc.) $227,850
Mohawk Insurance Co. ---------- Common
(R. F. Dowd & Co., Inc.) $900,000
NAC Charge Plan & Northern Acceptance Corp. ---------- Class A
(Sade & Co.) 33,334 shares
Patent Resources, Inc. ---------- Common
(Darius Inc.; N. A. Hart & Co. and E. J. Roberts & Co. Inc.) 150,000 shares
Progressitron Corp. ---------- Common
(Netherlands Securities Co.) $300,000
Riverview ASC, Inc. ---------- Common
(Albion Securities Co., Inc.) $300,000
Sav-Mor Oil Corp. ---------- Common
(Armstrong & Co. Inc.) $230,000
Spencer Laboratories, Inc. ---------- Class A
(Offering to stockholders—underwritten by E. T. Andrews & Co.) $162,400
Taddeo Bowling & Leasing Corp. ---------- Units
(Lomasney, Loving & Co.) $1,600,000
Tassette, Inc. ---------- Class A
(Amos Treat & Co., Inc.; Bruno Lenchner, Inc. and Karen Securities Corp.) $2,400,000
Triangle Instrument Co. ---------- Common
(Armstrong & Co. Inc.) $300,000
Trinity Funding Corp. ---------- Common
(Trinity Securities Corp.) $1,500,000
U. S. Home & Development Corp. ---------- Capital
(Auchincloss, Parker & Redpath) 300,000 shares

August 22 (Tuesday)
Advanced Electronics Corp. ---------- Class A
(Edward Hindley & Co.) $300,000
Clarkson Laboratories, Inc. ---------- Common
(Ross, Lyon & Co. Inc. and Globus Inc.) $400,000

August 23 (Wednesday)
Cal-Val Research & Development Corp. ---------- Common
(Auchincloss, Parker & Redpath) 200,000 shares
Sjostrom Automations, Inc. ---------- Common
(J. I. Magaril Co., Inc.) $280,000
Vinco Corp. ---------- Debentures
(S. D. Fuller & Co.) $2,000,000

August 24 (Thursday)
Applied Research Inc. ---------- Common
(Cruttenden, Podesta & Co.) $780,000
Fox-Stanley Photo Products, Inc. ---------- Common
(Equitable Securities Corp.) 387,500 shares

August 25 (Friday)
American Electronic Laboratories, Inc. ---------- Common
(Offering to stockholders—underwritten by Suplee, Yeatman, Mosley Co. Inc.) 10,632 shares
Armour & Co. ---------- Debentures
(Offering to stockholders—underwritten by Wertheim & Co.) $32,500,000

August 28 (Monday)
Alnar Rainwear Corp. ---------- Common
(D. H. Blair & Co.) 120,000 shares
Amerline Corp. ---------- Common
(Dean Witter & Co.) 150,000 shares
Automated Merchandising Capital Corp. ---------- Common
(Elair & Co. Inc.) $4,000,000
Central Investment Corp. of Denver ---------- Common
(Boettcher & Co.; Bosworth, Sullivan & Co. Inc. and Peters, Writer & Christensen, Inc.) $2,250,000
Commonwealth Theatres of Puerto Rico, Inc. ---------- Com.
(J. R. Williston & Beane) $1,000,000
Consolidated Production Corp. ---------- Common
(Shearson, Hammill & Co.) 200,000 shares
Custom Shell Homes, Inc. ---------- Common
(T. J. McDonald & Co.) $300,000

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Douglas Microwave Co., Inc.____________Common
(J. R. Williston & Beane and Hill, Darlington & Grimm) 100,000 shares

Eastern Air Devices, Inc.____________Common
(Offering to stockholders—underwritten by Sutro Bros. & Co. and Gregory & Sons) 150,000 shares

Harn Corp. ____________Common
(J. R. Williston and Beane) 150,000 shares

Income Planning Corp.____________Units
(Espy & Wanderer Inc.) $200,000

Industrial Gauge & Instrument Co., Inc.___Common
(R. F. Dowd & Co. Inc.) $225,000

Intercontinental Dynamics Corp.____________Common
(M. H. Woodhill Inc.) $300,000

Lewis (Tillie) Foods, Inc.____________Common
(Van Alstyne, Noel & Co.) 400,000 shares

Monticello Lumber & Mfg. Co., Inc.____________Common
(J. Laurence & Co. Inc.) $300,000

Polytronic Research, Inc.____________Common
(Jones, Kreeger & Co. and Balogh & Co.) 193,750 shares

Reeves Broadcasting & Development Corp. ____________Debentures
(Laird & Co. Corp.) $2,500,000

Second Financial, Inc.____________Common
(Globus Inc.) $300,000

Supronics Corp.____________Common
(Amos Treat & Co. Inc.; Standard Securities Corp. and Bruno-Lenchner Inc.) 90,000 shares

Thoroughbred Enterprises, Inc.____________Common
(Sandkuhl & Co. Inc.) $340,000

Transvision Electronics, Inc.____________Common
(Adams & Peck) 140,000 Shares

United Investors Corp.____________Class A
(No underwriting) $761,090

August 29 (Tuesday)

Abbey Automation Systems, Inc.____________Common
(John Joshua & Co., Inc.) $300,000

Blackman Merchandising Corp.____________Common
(Midland Securities Co., Inc.) 72,500 shares

Israel-America Hotels, Ltd.____________Common
(Brager & Co.) $1,250,000

Republic Aviation Corp.____________Common
(Merrill Lynch, Pierce, Fenner & Smith Inc.) 214,500 shares

August 30 (Wednesday)

Irvan Ferromagnetics Corp.____________Common
(Thomas Jay Winston & Co., Inc.) $300,000

Jolyn Electronic Manufacturing Corp.___Common
(Kerns, Bennett & Co. Inc.) $193,500

Minichrome, Inc. ____________Common
(Continental Securities Inc.) $172,500

Old Empire, Inc.____________Debentures
(Laird, Bissell & Meeds) $800,000

Security Acceptance Corp.____________Units
(No underwriting) $800,000

Southern Realty & Utilities Corp.____________Units
(Hirsch & Co. and Lee Higginson Corp.) 6,280 units

Tresco, Inc. ____________Common
(Amos Treat & Co. Inc.) $500,000

West Coast Bowling Corp.____________Common
(Hill Richards & Co. Inc.) $1,252,231.50

September 1 (Friday)

Apache Corp.____________Units
(APA, Inc. Minneapolis, Minn.) $4,500,000

Apache Corp. ____________Units
(APA Inc.) $750,000

Apache Realty Corp.____________Units
(Blunt Ellis & Simmons) $5,000,000

Automated Gift Plan, Inc.____________Common
(J. Laurence & Co. Inc.) $300,000

T. V. Development Corp.____________Common
(Kesselman & Co. and Brand, Grumet & Seigel Inc.) $500,000

Washington Engineering Services Co., Inc._Common
(No underwriting) 375,000 shares

September 4 (Monday)

Air Master Corp.____________Common
(Francis I. du Pont & Co.) 200,000 shares

S. O. S. Photo-Cine-Optics, Inc.____________Units
(William, David & Motti) $200,000

September 5 (Tuesday)

Advanced Scientific Instruments, Inc.____Common
(Naftalin & Co.) $1,006,250

Computer Instruments Corp.____________Common
(Hayden, Stone & Co.) 160,000 shares

Continental Leasing Corp.____________Common
(H. B. Crandall Co. and Cambridge Securities, Inc.) $300,000

Dadan, Inc. ____________Common
(McDonald, Anderson, Peterson & Co., Inc.) $184,000

Electro-Miniatures Corp.____________Common
(Burnham & Co.) $300,000

Foamland U. S. A., Inc.____________Common
(Flaskov & Co.) $750,000

Frontier Airlines, Inc.____________Common
(No underwriting) 250,000 shares

Ihnen (Edward H.) & Son, Inc.____________Common
(Amos Treat & Co. Inc.) $375,000

Kirk (C. F.) Laboratories, Inc.____________Common
(Hill, Darlington & Grimm) 100,000 shares

Micro-Lectric, Inc.____________Common
(Underhill Securities Corp.) $220,000

Nitrogen Oil Well Service Co.____________Common
(Underwood, Neuhaus & Co. Inc.) $1,000,000

TelePrompTer Corp. ____________Debentures
(Bear, Stearns & Co.) $5,000,000

Texas Capital Corp.____________Common
(Dempsey-Tegeler & Co.) 1,000,000 shares

Vic Tanny Enterprises, Inc.____________Common
(S. D. Fuller & Co.) 320,000 shares

September 6 (Wednesday)

Gordon (I.) Realty Corp.____________Common
(George D. B. Bonbright & Co.) $1,600,000

September 7 (Thursday)

Brisker Corp. ____________Common
(Copley & Co.) $160,000

Cosmodyne Corp. ____________Common
(Dean Witter & Co.) 100,000 shares

Greene (M. J.) Co.____________Common
(Hess, Grant & Remington Inc.) $300,000

Plasticon Corp. ____________Common
(No underwriting) $1,996,998

Rodney Metals, Inc.____________Common
(Amos Treat & Co. Inc.) $1,400,000

September 8 (Friday)

Lewis & Clark Marina, Inc.____________Common
(Apache Corp.) $300,000

Western Union Telegraph Co.____________Common
(Offering to stockholders—underwritten by Kuhn, Loeb & Co. and Lehman Brothers) 1,075,791 shares

September 11 (Monday)

A-Drive Auto Leasing System, Inc.________Class A
(Hill, Darlington & Grimm) $1,000,000

Arizona Color Film Processing Laboratories, Inc.____________Common
(Offering to stockholders—no underwriting) $462,110

Cle-Ware Industries, Inc.____________Common
(Westheimer & Co.) 195,000 shares

Flato Realty Fund____________Shares
(Flato, Bean & Co.) $20,000,000

Gloray Knitting Mills, Inc.____________Common
(Shields & Co.) 125,000 shares

Micro-Precision Corp. ____________Common
(Manufacturers Securities Corp.) $300,000

Telephones, Inc. ____________Common
(Hayden, Stone & Co. and McCormick & Co.) 250,000 shares

U. S. Plastic & Chemical Corp.____________Common
(Adams & Peck) 125,000 shares

September 12 (Tuesday)

Rocky Mountain Natural Gas Co., Inc.______Units
(Merrill Lynch, Pierce, Fenner & Smith Inc.) 75,000 units

September 13 (Wednesday)

Creative Playthings, Inc.____________Common
(A. G. Becker & Co., Inc. and Semple, Jacobs & Co., Inc.) 100,000 shares

King's Department Stores, Inc.____________Common
(Shearson, Hammill & Co.) 500,000 shares

Photo-Animation, Inc. ____________Common
(First Philadelphia Corp.) $187,500

September 15 (Friday)

Walter Sign Corp.____________Common
(Amber, Burstein & Co.) $300,030

September 18 (Monday)

Badger Northland, Inc.____________Common
(Loewi & Co., Inc.) 100,000 shares

Empire Life Insurance Co. of America_____Capital
(Consolidated Securities, Inc.) $300,000

Houston Corp. ____________Common
(Offering to stockholders—no underwriting) 583,334 shares

Lincoln Fund, Inc.____________Common
(Horizon Management Corp.) 951,799 shares

M P I Glass Fibers, Inc.____________Common
(Atlantic Equities Co.) $300,000

Mairs & Power Income Fund, Inc.____________Common
(No underwriting) 40,000 shares

Parish (Amos) & Co., Inc.____________Common
(The James Co.) 208,000 shares

September 21 (Thursday)

Allied Stores Corp.____________Debentures
(Offering to stockholders—underwritten by Lehman Bros.) $27,006,200

September 22 (Friday)

Gyrodyne Co. of America, Inc.____________Units
(Harriman Ripley & Co.) 50,000 units

September 25 (Monday)

Bargain Town, U. S. A., Inc.____________Common
(Schweickart & Co.) $1,800,000

September 26 (Tuesday)

Pacific Gas & Electric Co.____________Bonds
(Bids to be received) $60,000,000

September 29 (Friday)

Mite Corp. ____________Capital
(Kidder, Peabody & Co. and Charles W. Scranton & Co.) 325,000 shares

October 2 (Monday)

Shasta Minerals & Chemical Co.____________Common
(No underwriting) $1,250,000

October 3 (Tuesday)

Gulf States Utilities Co.____________Debentures
(Bids 11 a. m.) $15,000,000

October 10 (Tuesday)

Kansas Power & Light Co.____________Debentures
(Bids to be received) $13,000,000

October 13 (Friday)

Columbia Research Group____________Preferred
(No underwriting) $5,000,000

October 17 (Tuesday)

Public Service Electric & Gas Co._____Debentures
(Bids 11 a.m. EDST) $50,000,000

October 25 (Wednesday)

Georgia Power Co.____________Preferred
(Bids to be received) $7,000,000

New England Power Co.____________Bonds
(Bids to be received) $20,000,000

October 30 (Monday)

Georgia Power Co.____________Bonds
(Bids to be received) $10,000,000

November 14 (Tuesday)

Rochester Gas & Electric Corp.____________Bonds
(Bids to be received) $15,000,000

December 5 (Tuesday)

Virginia Electric & Power Co.____________Bonds
(Bids to be received) $15,000,000

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of shopping centers, office buildings and industrial properties. **Proceeds** — For investment. **Office** — 523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

● **Applied Research, Inc. (8/24)**
June 23, 1961 filed 120,000 common shares, of which 60,000 shares are to be offered by the company and 60,000 shares by stockholders. **Price**—$6.50. **Business**—Manufacture of devices used in connection with space and earth communications, radio frequency analysis, missiles and satellites and radar and telemetry systems. **Proceeds**—For leasehold improvements, equipment and general corporate purposes. **Office**—76 S. Bayles Avenue, Port Washington, N. Y. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, New York.

Aqua-Lectric, Inc.
June 19, 1961 filed 1,000,000 common shares. **Price**—$1.15. **Business**—The marketing of an electric hot water heating system. **Proceeds**—For inventory, salaries, advertising and promotion, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—M. H. Bishop & Co., Minneapolis. **Offering**—Expected in late September.

Arista Truck Renting Corp.
Aug. 2, 1961 filed 100,000 common shares. **Price**—$5. **Business**—The renting of trucks in the New York City area. **Proceeds** — For repayment of loans, purchase of equipment, working capital and general corporate purposes. **Office**—285 Bond St., Brooklyn, N. Y. **Underwriter**—None.

● **Arizona Color Film Processing Laboratories, Inc. (9/11)**
March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None.

Arlan's Dept. Stores, Inc.
July 5, 1961 filed 300,000 common shares of which 60,000 shares are to be offered by the company and 240,000 shares by the stockholders. **Price**—By amendment. **Business**—The operation of 12 self-service discount stores. **Proceeds**—For working capital and expansion. **Office**—350 Fifth Ave., New York. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

● **Armour & Co. (8/25)**
Aug. 3, 1961 filed $32,500,000 of convertible subordinated debentures due 1983 to be offered for subscription by stockholders. **Price** — By amendment. **Business** — Meat packing. **Proceeds**—For plant expansion and general corporate purposes. **Office**—401 N. Wabash Ave., Chicago. **Underwriter**—Wertheim & Co., New York (managing).

Astronetic Research, Inc.
July 11, 1961 ("Reg. A") 54,000 class A common shares (par $1). **Price** — $5. **Proceeds** — For purchase and installation of equipment, and working capital. **Office**—45 Spring Street, Nashua, N. H. **Underwriter** — Schirmer, Atherton & Co., Boston, Mass.

● **Atlantic Fund for Investment in U. S. Government Securities Inc. (8/18)**
July 22, 1960, filed 2,000,000 shares of common stock. **Price** — $25 per share. **Business** — A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. **Proceeds**—For investment in U. S. Government securities. **Office**—50 Broad Street, New York City. **Underwriter**—Capital Counsellors, 50 Broad Street, New York City. **Note**—This company was formerly the Irving Fund for Investment in U. S. Government Securities, Inc.

Atmotron, Inc.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For general corporate purposes. **Office**—5209 Hanson Court, Minneapolis. **Underwriter**—J. P. Penn & Co., Inc., Minneapolis.

Audiographic Inc.
Feb. 27, 1961 filed 150,000 shares of common stock. **Price**—$4 per share. **Business**—The manufacture and sale of fire and burglar warning systems. **Proceeds**—To establish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, add to inventory, and for working capital. **Office**—Bellemore, L. I., N. Y. **Underwriter**—First Broad Street Corp., New York City (managing).

Audio Visual Teaching Machines, Inc.
June 8, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Business**—The manufacture and distribution of teaching machines, language laboratories and program texts. **Proceeds**—For repayment of debt, purchase of equipment, research and development and working capital. **Office** — 216 E. Diamond Street, Gaithersburg, Md. **Underwriter**—To be named. **Offering**—Imminent.

Automated Building Components, Inc.
July 28, 1961 filed 100,000 common shares. **Price** — By amendment. **Business**—The manufacture of metal conductor plates used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7525 N. W. 37th Avenue, Miami. **Underwriters** — Winslow,

Cohu & Stetson and Laird, Bissell & Meeds, New York City (managing).

Automated Gift Plan, Inc. (9/1)
June 12, 1961 ("Reg. A") 100,000 common shares (par 10c). **Price**—$3. **Business**—The manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. **Proceeds**—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. **Office**—80 Park Ave., New York. **Underwriter**—J. Laurence & Co., Inc., New York.

● **Automated Merchandising Capital Corp. (8/28-9/1)**
May 24, 1961 filed 200,000 shares of common stock. **Price**—$20. **Business**—A closed-end non-diversified management investment company formed to provide financial assistance to concerns active in the vending industry. **Proceeds**—For investment. **Office**—10 East 40th St., New York City. **Underwriter**—Blair & Co., Inc., New York City (managing).

Automated Prints, Inc.
July 24, 1961 ("Reg. A") 85,000 common shares (par 10 cents). **Price**—$3.50. **Business**—The silk screen printing of designs on textile fabrics. **Proceeds**—For equipment, a new plant, repayment of debt and working capital. **Office**—201 S. Hoskins Rd., Charlotte, N. C. **Underwriter**—Street & Co., Inc., New York.

Automatic Data Processing, Inc.
July 19, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$3. **Business**—Electronic data processing. **Proceeds**—For construction and working capital. **Office**—92 Highway 46, East Paterson, N. J. **Underwriter**—Golkin, Bomback & Co., New York (managing).

★ **Avemco Finance Corp.**
Aug. 15, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. **Proceeds**—For the repayment of debt. **Office**—8645 Colesville, Rd., Silver Spring, Md. **Underwriters**—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

BSF Company
June 30, 1961 filed $2,500,000 of 5% convertible subordinated debentures due 1966. **Price**—At par. **Proceeds**—To repay debt and as a reserve for possible acquisitions. **Office**—818 Market St., Wilmington, Del. **Underwriter**—None.

★ **Babcock Electronics Corp.**
Aug. 11, 1961 filed 300,000 capital shares, of which 50,000 shares are to be offered by the company and 250,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic units for remote control of aircraft. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1640 Monrovia Avenue, Costa Mesa, Calif. **Underwriters**—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

● **Badger Northland, Inc. (9/18)**
June 16, 1961 filed 100,000 common shares, of which 68,000 shares are to be offered by the company and 32,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of farm equipment. **Proceeds**—For a plant, purchase of land, retirement of preferred stock and working capital. **Address**—Kaukauna, Wis. **Underwriter**—Loewi & Co., Inc., Milwaukee (managing).

Bankers Dispatch Corp.
July 20, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Business**—The transportation of commercial paper, documents and non-negotiable instruments for banks. **Proceeds**—For the selling stockholder. **Office**—4652 S. Kedzie Avenue, Chicago. **Underwriter**—E. F. Hutton & Co., Inc., New York.

Bargain Town, U. S. A., Inc. (9/25)
July 27, 1961 filed 300,000 common shares, of which 200,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—$6. **Business**—The operation of discount department stores. **Proceeds**—For the repayment of debt, and working capital. **Office**—Rockaway Turnpike, North Lawrence, L. I., N. Y. **Underwriter**—Schweickart & Co., New York (managing).

Beam-Matic Hospital Supply, Inc.
July 21, 1961 filed 100,000 common shares. **Price**—$3. **Business**—The manufacture of hospital equipment and supplies. **Proceeds**—For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. **Office**—25-11 49th Street, Long Island City, N. Y. **Underwriter**—First Weber Securities Corp., New York.

Bel-Aire Products, Inc. (8/21)
April 14, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—For repayment of a loan, new equipment, lease of a plant, and working capital. **Office** — 25970 W. 8 mile Road, Southfield, Mich. **Underwriter** — International Equities Co., Miami, Fla.

Bid D Chemical Co. (8/21)
May 17, 1961 (letter of notification) 60,000 shares of class a common stock (par $1). **Price** — $5 per share. **Office**—1708 W. Main St., Oklahoma City, Okla. **Underwriter**—To be named.

★ **Black & Decker Manufacturing Corp.**
Aug. 11, 1961 filed 120,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of power tools. **Proceeds**—For the selling stockholder. **Office**—Towson, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

Blackman Merchandising Corp. (8/29)
June 8, 1961 filed 72,500 class A common shares. **Price**—By amendment. **Business**—The wholesale distribution of soft goods lines and artificial flowers. **Proceeds**—For expansion; inventory and working capital. **Office**—1401 Fairfax Trafficway, Kansas City, Kan. **Underwriter**—Midland Securities Co., Inc., Kansas City, Mo.

Bloch Brothers Tobacco Co.
July 3, 1961 ("Reg. A") 4,000 common shares (par $12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland.

Bloomfield Building Industries, Inc.
June 29, 1961 filed 300,000 class A common shares. **Price**—$5. **Proceeds**—For advances to a subsidiary, purchase of additional land and the construction of buildings thereon. **Office** — 3355 Poplar Ave., Memphis, Tenn. **Underwriter**—Lieberbaum & Co., New York.

Blue Haven Industries, Inc.
March 30, 1961 (letter of notification) 70,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Proceeds**—To increase inventory, reduce indebtedness and for working capital. **Office**—11933 Vose St., North Hollywood, Calif. **Underwriter** — Pacific Coast Securities Co. **Note**—This offering has been temporarily postponed.

Blue List Publishing Co., Inc.
June 26, 1961 filed 160,000 outstanding common shares. **Price**—By amendment. **Business**—General printing. **Proceeds**—For the selling stockholders. **Office**—130 Cedar Street, New York. **Underwriter**—White, Weld & Co., Inc., New York (managing).

Boulder Lake Corp.
June 28, 1961 filed 315,000 common shares. **Price**—$2.50. **Business**—The acquisition, exploration and development of mineral properties. **Proceeds**—For construction of roads and buildings, purchase of machinery and exploration of properties. **Address**—P. O. Box 214, Twin Bridges, Mont. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Bowling Internazionale, Ltd.
June 30, 1961 filed 200,000 common shares. **Price**—$5. **Proceeds**—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion and working capital. **Office**—80 Wall St., New York. **Underwriters**—V. S. Wickett & Co., and Thomas, William, & Lee, Inc., New York City.

Bradley Industries, Inc.
July 25, 1961 filed 70,000 common shares (par $1). **Price**—$5. **Business**—The manufacture of plastic boxes and containers. **Proceeds**—For repayment of loans, purchase of additional molds, acquisition of a new plant, working capital and general corporate purposes. **Office**—1650 N. Damen Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., New York.

Brinktun, Inc.
July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). **Price**—$2.25. **Proceeds**—Repayment of loans and working capital. **Office**—710 N. Fourth Street, Minneapolis. **Underwriter** — McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

● **Brisker Corp. (9/7)**
June 2, 1961 ("Reg. A") 160,000 common shares (par 25 cents). **Price**—$1. **Proceeds**—For repayment of loans, machine rental, working capital and general corporate purposes. **Office**—2833 St. Charles Ave., Suite 4, New Orleans, La. **Underwriter** — Copley & Co., Colorado Springs, Colo.

Brite Universal, Inc.
July 31, 1961 filed 100,000 common shares and $1,000,000 of 10% subordinated debentures due 1966 to be offered for public sale and 108,365 common shares to be offered for subscription by stockholders of Brite Universal, Inc. (N. Y.) parent company, on the basis of 2½ shares for each class A and class B shares held. **Price**—By amendment. **Business**—The operation of a consumer finance business in N. Y., N. J., and Pa. **Office**—441 Lexington Avenue, New York City. **Underwriter**—None.

British-American Construction & Materials Ltd.
July 7, 1961 filed $3,500,000 (U. S.) debentures, 6% sinking fund series due 1981 (with warrants) and 300,000 outstanding common shares. **Price**—By amendment. **Business**—A construction company. **Proceeds**—Debentures—For repayment of debt, construction, acquisition and working capital. Stock—For the selling stockholders, **Office**—Jarvis Ave., at Andrews St., Winnipeg, Manitoba, Canada. **Underwriter**—P. W. Brooks & Co., Inc., New York (managing).

Buffums'
Aug. 7, 1961 filed 40,000 common shares. **Price** — By amendment. **Business** — The operation of department stores in Southern California. **Proceeds** — For general corporate purposes. **Office** — Pine at Broadway, Long Beach, Calif. **Underwriter** — Lester, Ryons & Co., Los Angeles.

● **Business Funds, Inc. (8/21)**
June 2, 1961 filed 1,750,000 shares of capital stock. **Price**—$11. **Business**—A small business investment company. **Proceeds** — For investment. **Office** — 201 Main St., Houston, Texas. **Underwriters**—Clark, Dodge & Co., Inc., New York; Alex. Brown & Sons, Baltimore, and Rotan, Mosle & Co., Houston.

Byer-Rolnick Hat Corp.
June 27, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—601 Marion Dr., Garland, Tex. **Underwriters** — Dallas Rupe & Son, Inc., Dallas, Tex., and Straus, Blosser & McDowell, Chicago.

Cable Carriers, Inc.
March 23, 1961 filed 196,109 shares of capital stock. **Price**—$1.15. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—To be named. **Offering**—Expected in late October.

Caldor, Inc.
July 27, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The operation of retail discount stores. **Proceeds**—For expansion and working capital. **Office**—69 Jefferson St., Stamford, Conn. **Underwriter**—Ira Haupt & Co., New York (managing).

California Growth Capital Inc.
July 18, 1961 filed 660,000 common shares. **Price** — By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—111 Sutter St., San Francisco, Calif. **Underwriters**—H. M. Byllesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

● **Cal-Val Research & Development Corp. (8/23)**
June 16, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—Engineering research and development in ground support equipment in the missile, rocket and space fields. **Proceeds**—To repay loans and for general corporate purposes. **Office**—19507 Ventura Boulevard, Woodland Hills, Calif. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Canbowl Centers Ltd.
Aug. 4, 1961 filed 131,500 common shares to be offered for subscription by stockholders of American Bowling Enterprises, Inc., parent company, on the basis of one share for each four American shares held. **Price**—$5.50. **Business**—The operation of bowling centers. **Proceeds**—For working capital and the construction and operation of bowling centers. **Office**—100 Wilder Bldg., Rochester, N. Y. **Underwriter**—None.

Capital Income Fund, Inc.
July 3, 1961 filed 30,000 common shares. **Price** — By amendment. **Business**—A mutual fund. **Proceeds** — For investment. **Office** — 900 Market St., Wilmington, Del. **Underwriter**—Capital Management Corp., Miami (managing).

Capitol Research Industries, Inc.
June 28, 1961 filed 165,000 common shares and 75,000 common stock purchase warrants. **Price**—For stock, $2; for warrants, 20 cents. **Business**—The manufacture of X-ray film processing machines. **Proceeds**—For repayment of loans and working capital. **Office**—4206 Wheeler Avenue, Alexandria, Va. **Underwriter**—None.

Carboline Co.
Aug. 4, 1961 filed 100,000 common shares, of which 35,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—$5. **Business**—The manufacture of synthetic linings and coatings for industrial use. **Proceeds** — For repayment of loans, research and working capital. **Office**—32 Hanley Industrial Court, St. Louis. **Underwriter** — Reinholdt & Gardner, St. Louis (managing).

Card Key Systems, Inc.
July 28, 1961 ("Reg. A") 60,000 common shares (no par). **Price** — $5. **Proceeds** — For research and development, advertising equipment and working capital. **Office**—923 S. San Fernando Boulevard, Burbank, Calif. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles.

Caressa, Inc.
Aug. 2, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of women's shoes. **Proceeds**—The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. **Office**—5300 N. W. 37th Ave., Miami, Fla. **Underwriter** — Shearson, Hammill & Co., New York (managing).

Casa Electronics Corp.
July 19, 1961 ("Reg. A") 80,000 common shares (par 50 cents). **Price**—$2.50. **Proceeds**—For test equipment, reduction of mortgage and working capital. **Office**—2233 Barry Ave., West Los Angeles, Calif. **Underwriter**—Harris Securities Corp., New York.

Cellomatic Battery Corp. (8/21-25)
June 20, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price** — $2.50. **Proceeds** — For repayment of debt, inventory and working capital. **Office**—300 Delaware Avenue, Archbald, Pa. **Underwriter**—Armstrong & Co., Inc., New York.

● **Central Investment Corp. of Denver (8/28)**
June 19, 1961 filed 600,000 common shares. **Price**—$3.75. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—611 Central Bank Building, Denver. **Underwriters**—Boettcher & Co.; Bosworth, Sullivan & Co., Inc., and Peters, Writer & Christensen, Inc., Denver.

Challenger Products, Inc.
June 30, 1961 filed 125,000 common shares. **Price**—$5. **Proceeds**—For the repayment of debt, purchase of new equipment, and working capital. **Office**—2934 Smallman St., Pittsburgh, Pa. **Underwriter**—Pistell, Crowe, Inc., New York.

Charles Jacquin et Cie, Inc.
July 7, 1961 filed 140,000 common shares of which 20,000 shares are to be offered by the company and 120,000 shares by stockholders. **Price**—By amendment. **Business**—The production of cordials, vodka, rum, brandy, etc. **Proceeds**—For working capital, sales promotion and advertising. **Office**—2633 Trenton Ave., Philadelphia. **Underwriter**—Stroud & Co., Inc., Philadelphia (managing). **Offering**—Expected in early September.

Charter Industries, Inc.
June 22, 1961 filed 100,000 common shares. **Price**—$4. **Business**—The manufacture of molded plastic products.

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Proceeds—For starting up production and plant expansion. **Office**—388 Codwise Ave., New Brunswick, N. J. **Underwriter** — Standard Securities Corp., New York (managing).

Chermil Capital Corp.
July 25, 1961 filed 250,000 common shares. **Price** — $2. **Business**—A closed-end investment company. **Proceeds**—For investment. **Office**—32 Broadway, New York. **Underwriter**—Edward H. Stern & Co., Inc., New York.

Church Builders, Inc.
Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—$5.50 per share. **Business**—A closed-end diversified investment company of the management type. **Proceeds**—For investment. **Office**—501 Bailey Avenue, Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth, Texas.

Churchill Stereo Corp.
July 17, 1961 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. **Price**—$3.60 per unit. **Business**—The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. **Proceeds** — For expansion, repayment of loans, working capital and other corporate purposes. **Office**—200 E. 98th Street, Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., New York (managing).

Clark Equipment Credit Corp.
April 21, 1961 filed $20,000,000 of debentures, series A, due 1981. **Price**—To be supplied by amendment. **Business**—The financing in the U. S and Canada of retail time sales of products manufactured by Clark Equipment Co., parent. **Proceeds**—For the repayment of debt. **Office**—324 East Dewey Ave., Buchanan, Mich. **Underwriters**—Lehman Brothers and Blyth & Co., Inc., New York City (managing). **Offering** — Temporarily postponed.

Clarise Sportswear Co., Inc.
July 21, 1961 filed 125,000 common shares, of which 75,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$5. **Business**—The manufacture of women's sportswear. **Proceeds**—For working capital. **Office**—141 W. 36th Street, New York. **Underwriters**—Alessandrini & Co., Inc. and Hardy & Hardy, New York (co-managing).

Clarkson Laboratories, Inc. (8/22)
April 27, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business**—The company plans to engage in the development, manufacture, packaging and sale of industrial chemicals and latex, resins and plastic compounds for industrial and commercial use. **Proceeds**—For plant additions, repayment of debt, and working capital. **Office**—1450 Ferry Avenue, Camden, N. J. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., both of New York City.

Cle-Ware Industries, Inc. (9/11)
July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. **Price**—By amendment. **Business**—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. **Proceeds**—For repayment of loans, working capital and other corporate purposes. **Office**—10604 St. Clair Ave., Cleveland. **Underwriter**—Westheimer & Co., Cincinnati.

Clute (Francis H.) & Son, Inc.
July 3, 1961 filed 1,000,000 common shares. **Price**—$1.50. **Business** — The manufacture of farm and industrial equipment. **Proceeds**—For materials and inventory, research and development and working capital. **Office**—1303 Elm St., Rocky Ford, Colo. **Underwriter** — Stone, Altman & Co., Inc., Denver.

Cobbs Fruit & Preserving Co.
July 27, 1961 filed 150,000 common shares, of which 128,500 are to be offered for public sale by the company and 21,500 by the underwriter. **Price**—$5. **Business**—The sale of fruits, candies, preserves and novelties. **Proceeds**—For expansion and other corporate purposes. **Office**—400 N. E. 79th St., Miami, Fla. **Underwriter** — Jay W. Kaufmann & Co., New York.

Coburn Credit Co., Inc.
July 18, 1961 filed $1,500,000 of convertible subordinated debentures due 1976. **Price**—At par. **Business**—A consumer finance company. **Proceeds**—For general corporate purposes. **Office** — 53 N. Park Ave., Rockville Center, N. Y. **Underwriters**—Brand, Grumet & Seigel, Inc. and Kesselman & Co., Inc., New York.

• Color Reproductions, Inc.
May 10, 1961 (letter of notification) 950 units of $95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of $100 of debentures and 50 shares of common stock. **Price**—$287.50 per unit. **Business**—The company makes color photographs and reproductions for churches, institutions, seminaries and schools. **Proceeds**—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. **Office**—202 E. 44th St., New York, N. Y. **Underwriter**—William, David & Motti, Inc., New York, N. Y. **Offering**—Imminent.

• Columbia Research Group (10/13)
June 20, 1961 filed 5,000,000 preferred shares (par one cent). **Price**—$1. **Business**—The production of religious and educational phonograph records. **Proceeds**—For general corporate purposes. **Office**—3600 Market Street, Salt Lake City, Utah. **Underwriter**—None.

Columbian Bronze Corp.
July 13, 1961 filed 150,000 common shares. **Price**—$5 **Business**—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. **Proceeds**—For repayment of loans and expansion. **Office**—216 N. Main St., Freeport, N. Y. **Underwriter**—Lomasney, Loving & Co., New York (managing).

• Commonwealth Theatres of Puerto Rico, Inc. (8/28)
July 28, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$10. **Business**—The operation of a chain of theatres in Puerto Rico. **Proceeds**—For construction of a drive-in movie theatre, building renovations and general corporate purposes. **Address**—Santurce, Puerto Rico. **Underwriter**—J. R. Williston & Beane, New York (managing).

Comptometer Corp.
March 31, 1961 filed 160,401 shares of common stock to be offered for subscription by holders of outstanding common stock; 6½% subordinated convertible sinking fund debentures, series A, due 1970; and option agreements for the purchase of common shares. Warrants will be issued on the basis of one right for each common share held on the record date, one right for each share issuable upon conversion of a series A debenture, as if such debenture had been converted, and one right for each share issuable under the option agreements. The warrants will provide that one new share will be issuable for each eight rights tendered. **Price**—To be supplied by amendment. **Business**—The company's activities are organized on a divisional basis—Business Machines, Communications and Electronics, Business Forms, Burke Golf and Worthington Golf Ball Divisions. **Proceeds**—For the repayment of debt and for working capital. **Office**—5600 West Jarvis Ave., Chicago, Ill. **Underwriters** — To be named.

Computer Instruments Corp. (9/5-8)
July 13, 1961 filed 160,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of precision potentiometers, electronic components and measuring instruments. **Proceeds** — For the selling stockholders. **Office**—92 Madison Ave., Hempstead, N. Y. **Underwriter**—Hayden, Stone & Co., New York (managing).

Consolidated Marine Industries, Inc.
June 20, 1961 filed 200,000 common shares. **Price**—$6. **Business**—A holding company for concerns engaged in the pleasure-boat industry. **Proceeds**—For working capital and other corporate purposes. **Office**—809 Cameron Street, Alexandria, Va. **Underwriter**—Alexandria Investments & Securities, Inc., Washington, D. C. **Offering**—Expected in late August.

Consolidated Production Corp. (8/28)
May 26, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company, which plans to change its name to Consolidated Production Corp., buys and manages fractional interests in producing oil and gas properties. **Proceeds**—For investment, and working capital. **Office**—14 North Robinson, Oklahoma City, Okla. **Underwriter** — Shearson, Hammill & Co., New York City (managing). **Note**—This company formerly was named Cador Production Corp.

Consumers Utilities Corp.
July 27, 1961 filed 302,000 outstanding common shares to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. **Price**—By amendment. **Business**—The acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. **Proceeds** — For the selling stockholder (Mobilife Corp.) **Office**—Sarasota, Fla. **Underwriter**—Golkin, Bomback & Co., New York City.

Continental Fund Distributors, Inc.
April 13, 1961 filed 296,000 common shares and 296,000 warrants for the purchase of stock of Continental Management Corp., advisor to Continental Growth Fund, Inc. The securities will be offered for public sale in units of one common share and one warrant. **Price**—$1 per unit. **Business**—The company is the sponsor of Continental Growth Fund, Inc. **Proceeds**—For expansion. **Office**—366 Fifth Ave., New York City. **Underwriter**—Niagara Investors Corp., New York.

• Continental Leasing Corp. (9/5)
June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—$3. **Proceeds**—For purchase of new automobiles, advertising and promotion, and working capital. **Office**—527 Broad St., Sewickley, Pa. **Underwriter** — H. B. Crandall Co. and Cambridge Securities, Inc., New York.

Continental-Pacific Industries, Inc.
July 21, 1961 ("Reg. A") 300,000 common shares (par 10 cents). **Price**—$1. **Proceeds**—For repayment of loans, tooling, a patent purchase, salaries, inventory and working capital. **Office**—1299 Bay Shore Blvd., Burlingame, Calif. **Underwriter**—Amos C. Sudler & Co., Denver.

Continental Real Estate Investment Trust
Aug. 3, 1961 filed 300,000 shares of beneficial interest. **Price**—$10. **Business**—Real estate. **Proceeds**—For investment. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—F. Baruch & Co., Inc., Washington, D. C. (managing).

★ Continental Vending Machine Corp.
Aug. 11, 1961 filed $5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of $100 of debentures for each 80 common shares held. **Price**—By amendment. **Business**—The manufacturing of vending machines. **Proceeds**—For repayment of loans and working capital. **Office** — 956 Brush Hollow Road, Westbury, L. I., N. Y. **Underwriter**—Hardy & Co., New York (managing).

★ Control Data Corp.
Aug. 10, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The manufacture of mechanical equipment. **Proceeds**—For repayment of loans, working caiptal and general corporate purposes. **Office** — 501 Park Avenue, Minneapolis. **Underwriter**—Dean Witter & Co., San Francisco (managing).

Control Lease Systems, Inc.
July 21, 1961 ("Reg. A") 260,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For equipment, research and development and capital expenditures. **Office**—3386 Brownlow Ave., St. Louis Park, Minn. **Underwriters**—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis.

Cook (L. L.)
Aug. 4, 1961 filed 49,736 common shares, of which 9,600 shares are to be offered by the company and 40,136 shares by stockholders. **Price**—By amendment. **Business**—The processing of photographic film, wholesaling of photographic supplies and the manufacture of post cards. **Proceeds**—For general corporate purposes. **Office**—1830 N. 16th St., Milwaukee. **Underwriter**—Milwaukee Co., Milwaukee (managing).

Cooperative Grange League Federation Exchange, Inc.
July 3, 1961 filed $250,000 of 4% subordinated debentures due 1966, 10,000 shares of 4% cumulative preferred stock (par $100) and 250,000 common shares. **Price**—For debentures, at par; for preferred, $100 and for common, $5. **Business**—An incorporated agricultural cooperative association. **Proceeds**—For redemption of securities of two subsidiaries and working capital. **Office**—Terrace Hill, Ithaca, N. Y. **Underwriter**—None.

• Copycat Corp. (8/18)
June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The distribution and sale of photocopy and distributing machines. **Proceeds**—For working capital, advertising, research and expansion. **Office**—200 Park Ave., S., New York. **Underwriters**—Treves & Co. and Reich & Co., New York.

Corning Glass Works
Aug. 4, 1961 filed 150,000 common shares (par $5). **Price**—By amendment. **Business**—The manufacture of specialized glass products. **Proceeds**—For the selling stockholders. **Address**—Corning, N. Y. **Underwriters**—Harriman Ripley & Co. and Lazard Freres & Co., New York (co-managing).

Cosmetic Chemicals Corp.
June 28, 1961 filed 100,000 common shares (par one cent). **Price** — $4. **Business** — The distribution of cosmetics. **Proceeds**—For advertising, sales expenses, inventory, research, working capital and other corporate purposes. **Office**—5 E. 52nd Street, New York. **Underwriter**—Nance-Keith Corp., New York.

Cosmo Book Distributing Co.
July 6, 1961 filed 110,000 common shares. **Price** — $3. **Business**—The wholesale distribution of books. **Proceeds**—For repayment of a loan, inventory, working capital and general corporate purposes. **Office** — 1130 Madison Ave., Elizabeth, N. J. **Underwriter**—Frank Karasik & Co., Inc., New York.

• Cosmodyne Corp. (9/7)
June 12, 1961 filed 100,000 common shares. **Price**—By amendment. **Business** — The manufacture of equipment for the storage of super-cold liquids and gases. **Proceeds**—For manufacture of new equipment, repayment of loans; general corporate purposes and working capital. **Office**—3232 W. El Segundo Blvd., Hawthorne, Calif. **Underwriter**—Dominick & Dominick, Inc., New York.

• Cosnat Record Distributing Corp. (8/21)
May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of phonograph records. **Proceeds**—For the repayment of debt, and working capital. **Office**—315 W. 47th St., New York. **Underwriter**—Amos Treat & Co., New York City (managing).

Cott Bottling Co., Inc.
June 29, 1961 filed 335,000 common shares of which 170,000 shares are to be offered by the company and 165,000 shares by stockholders. **Price**—By amendment. **Business** — The manufacture of carbonated beverages. **Proceeds**—To repay loans, increase inventory and for expansion. **Office**—177 Granite Street, Manchester, N. H. **Underwriter**—R. W. Pressprich & Co., New York.

Cramer Electronics, Inc.
July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. **Price**—By amendment. **Business**—The distribution of electronic components and equipment. **Proceeds**—For repayment of loans, inventory and working capital. **Office**—811 Boylston St., Boston. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York (managing).

Crank Drug Co.
July 3, 1961 filed 130,000 common shares. **Price** — By amendment. **Business** — The operation of retail drug stores. **Proceeds**—For repayment of loans, and for expansion. **Office**—1947 E. Meadowmere St., Springfield, Mo. **Underwriter** — Reinholdt & Gardner, St. Louis (managing).

• Creative Playthings, Inc. (9/13)
July 28, 1961 filed 100,000 common shares. **Price** — By amendment. **Business**—The manufacture of equipment and material for children. **Proceeds**—For research and development, expansion, repayment of loans and working capital. **Address**—Cranbury, N. J. **Underwriter**—A. G. Becker & Co., Inc., Chicago and Semple, Jacobs & Co., Inc., St. Louis.

Cromwell Business Machines, Inc.
Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). **Price**—$3. **Proceeds**—For repayment of loans, machinery, leasehold improvements, advertising and working capital. **Office**—7451 Coldwater Canyon Avenue, North Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Crossway Motor Hotels, Inc.
Aug. 4, 1961 filed 70,000 common shares. **Price**—$5. **Business**—The operation of a motor hotel chain. **Proceeds**—For acquisition, expansion and the repayment of debt. **Office**—54 Tarrytown Rd., White Plains, N. Y. **Underwriter**—Candee & Co., New York.

★ **Cryplex Industries, Inc.**
Aug. 3, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price** — $3.75. **Business** — The manufacture of simulated pearls and other plastic products. **Proceeds**—For equipment, moving expenses, expansion, working capital and general corporate purposes. **Office**—37 E. 18th Street, New York. **Underwriter**—None.

Custom Shell Homes, Inc. (8/28)
May 8, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price**—$2.50 per share. **Proceeds**—To erect sample homes, repay a loan, and for expansion and working capital. **Office**—412 W. Saratoga St., Baltimore, Md. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

● **Dadan, Inc. (9/5)**
June 29, 1961 ("Reg. A") 160,000 common shares (par 50 cents). **Price**—$1.15. **Business**—The manufacture of games. **Proceeds**—For repayment of loans, development of new products and working capital. **Office**—209 Wilder Bldg., Rochester 14, N. Y. **Underwriter**—McDonald, Anderson, Peterson & Co., Inc., Minneapolis.

★ **Dale Systems, Inc.**
Aug. 9, 1961 filed 100,000 common shares. **Price**—$3.50. **Business**—A shopping service which checks the efficiency of retail sales employees. **Proceeds**—For expansion and general corporate purposes. **Office** — 1790 Broadway, New York. **Underwriter**—Theodore Arrin & Co., Inc., New York.

● **Data Components, Inc.**
Name changed to Industrial Engravers, Inc., see below.

Data Management, Inc.
July 17, 1961 ("Reg. A") 260,869 class A common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For purchase of equipment, investments, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—M. H. Bishop & Co., Minneapolis.

Datom Industries, Inc.
July 17, 1961 filed 112,500 common shares. **Price**—$4. **Business**—The manufacture of electrical products such as transistorized and conventional tube radios, portable phonographs and educational kits. **Proceeds**—For working capital and other corporate purposes. **Office**—350 Scotland Road, Orange, N. J. **Underwriter**—Robert L. Ferman & Co., Miami, Fla. (managing).

Deco Aluminum, Inc.
July 5, 1961 ("Reg. A") 100,000 common shares (par five cents). **Price** — $3. **Proceeds** — For repayment of loans; inventory; equipment and working capital. **Office**—4250 Adams Ave., Philadelphia. **Underwriter**—R. P. & R. A. Miller & Co., Inc., Philadelphia.

★ **Delta Capital Corp.**
Aug. 9, 1961 filed 500,000 common shares. **Price** — By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—610 National Bank of Commerce Building, New Orleans. **Underwriters**—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

Delta Venture Capital Corp.
July 13, 1961 filed 520,000 common shares. **Price**—$3.30. **Business**—An investment company. **Proceeds**—For investment. **Office**—1011 N. Hill St., Hopkins, Minn. **Underwriter**—None.

Dennis Real Estate Investment Trust
July 24, 1961 filed 100,000 shares of beneficial interest. **Price**—$100. **Business**—A real estate investment company. **Office** — 90 State Street, Albany, N. Y. **Underwriter**—None.

Discount Stores, Inc.
July 12, 1961 ("Reg. A") 120,000 common shares (no par). **Price**—$2.50. **Proceeds**—For the organization of new subsidiaries. **Office** — 707 Colorado Bldg., Denver, Colo. **Underwriter** — Copley & Co., Colorado Springs, Colo.

Diversified Wire & Steel Corp. of America
July 17, 1961 filed 100,000 class A common shares. **Price**—$4. **Business**—The manufacture of cold drawn steel wire, furniture springs and related products. **Proceeds**—for repayment of debt, acquisition and improvement of property, equipment, and working capital. **Office**—3525 E. 16th St., Los Angeles. **Underwriter**—V. K. Osborne & Sons, Inc., Beverly Hills, Calif. (managing).

Dollar Mutual Fund, Inc.
April 25, 1961 filed 100,000,000 shares of capital stock. **Price** — $1 per share. **Business** — A diversified mutual fund. **Proceeds** — For investment. **Office** — 736 Midland Bank Bldg., Minneapolis, Minn. **Underwriter**—Fund Distributors, Inc.

Douglas Microwave Co., Inc. (8/28-9/1)
June 29, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of microwave components, test equipment and sub-systems. **Proceeds**—For repayment of loans, research and development, advertising, purchase of equipment and other corporate purposes. **Office**—252 E. 3rd Street, Mount Vernon, N. Y. **Underwriters**—J. R. Williston & Beane and Hill, Darlington & Grimm, New York (managing).

★ **Dressen-Barnes Electronics Corp.**
Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 shares are to be offered by the company and 25,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of power supplies and automatic label dispensers. **Proceeds**—For repayment of loans, and working capital. **Office**—250 N. Vinedo Street, Pasadena, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles.

Drug & Food Capital Corp.
July 14, 1961 filed 500,000 common shares. **Price**—$10. **Business**—A small business investment company. **Proceeds**— For investment. **Office**—30 N. La Salle St., Chicago. **Underwriters**—A. C. Allyn & Co., Chicago & Wertheimer & Co., Cincinnati (managing).

Duke Shopping Center Limited Partnership
June 28, 1961 filed 269 units of limited partnerships interests. **Price** — $1,000. **Business** — The acquisition and construction of a shopping center at Alexandria, Va. **Proceeds**—For the purchase of the above property. **Office**—729-15th Street, N. W., Washington, D. C. **Underwriter**—Investor Service Securities, Inc., Washington, D. C.

Dunlap & Associates, Inc.
June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. **Price**—By amendment. **Business**—The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. **Proceeds**—For purchase of building sites, expansion, and working capital. **Office**—429 Atlantic St., Stamford, Conn. **Underwriter**—Dominick & Dominick, New York. **Offering**—Expected in early September.

Dynamic Cable Systems
July 31, 1961 ("Reg. A") 50,000 common shares (par 50 cents). **Price**—$6. **Proceeds**—For repayment of debt-equipment and working capital. **Office** — 8421 Telfair Avenue, Sun Valley, Calif. **Underwriter** — Raymond Moore & Co., Los Angeles.

Dynamic Gear Co., Inc.
June 29, 1961 filed 125,000 common shares of which 100,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price** — $3. **Business** — Manufacture of precision instrument gears. **Proceeds**—For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. **Office**—175 Dixon Avenue, Amityville, N. Y. **Underwriters**—Flomenhaf, Seidler & Co., Inc. and Lomasney, Loving & Co., New York (managing).

Dynamic Toy, Inc.
June 30, 1961 ("Reg. A") 81,000 common shares (par 10 cents). **Price**—$3. **Business** — The manufacture of toys. **Proceeds**—For advertising, development of new products expansion and working capital. **Address**—109 Ainslie St., Brooklyn, N. Y. **Underwriter**—Hancock Securities Corp., New York. **Offering**—Expected in September.

● **Eastern Air Devices, Inc. (8/28-9/1)**
June 16, 1961 filed 150,000 common shares to be offered for subscription by common stockholders of Crescent Petroleum Corp., parent, on the basis of one share for each 10 Crescent shares held. **Business**—The manufacture of power and servo components. **Proceeds**—For the purchase of equipment and other corporate purposes. **Office**—385 Central Avenue, Dover, N. H. **Underwriters**—Sutro Bros. & Co. and Gregory & Sons, New York (managing).

Eckerd Drugs of Florida, Inc.
June 29, 1961 filed 90,000 common shares and $900,000 of 7% convertible subordinated debentures due 1971 to be offered in units consisting of one common share and $10 of debentures. **Price**—By amendment. **Business**—The operation of drug stores. **Proceeds**—To open 5 new stores, repay loans and other corporate purposes. **Office**—3665 Gandy Blvd., Tampa, Fla. **Underwriter**—Courts & Co., Atlanta (managing).

● **Electra International, Ltd.**
May 5, 1961 filed 70,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds** — For research, and development, and working capital. **Office**—222 Park Ave., South, New York City. **Underwriter**—Ezra Kureen Co., New York City.

Electro-Med, Inc.
July 17, 1961 filed $540,000 of convertible subordinated debentures due 1971. **Price**—By amendment. **Business**—The manufacture of medical-electronic instruments. **Proceeds** — For working capital. **Office** — 4748 France Avenue, N. Minneapolis. **Underwriter**—Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

● **Electro-Miniatures Corp. (9/5)**
June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business** — The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. **Proceeds**—For the selling stockholders. **Office**—600 Huyler St., Hackensack, N. J. **Underwriter**—Burnham & Co., New York.

Electro-Tec Corp.
July 28, 1961 filed 91,000 common shares (par 10 cents). **Price**—By amendment. **Business**—The manufacture of slip rings and brush block assemblies, switching devices, relays, and precious metal products. **Proceeds**—For the selling stockholders. **Office** — 10 Romanelli Ave., South Hackensack, N. J. **Underwriter**—Harriman Ripley & Co., Inc., New York (managing). **Offering**—Expected in late September.

Electro-Temp Systems, Inc.
June 30, 1961 ("Reg. A") 75,000 common shares (par one cent). **Price** $4. **Business**—The sale of refrigeration machinery and equipment. **Proceeds**—For repayment of a loan, inventory, promotion and advertising, and working capital. **Office**—150-49 Hillside Ave., Jamaica, N. Y. **Underwriters**—Planned Investing Corp., New York and Bayes, Rose & Co., Inc., 39 Broadway, New York.

Electronics Discovery Corp.
July 26, 1961 filed 150,000 common shares. **Price**—$1. **Business** — The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. **Proceeds**—For research and development. **Office** — 1100 Shames Dr., Westbury, L .I., N. Y. **Underwriter**—Globus, Inc., New York.

● **Empire Fund, Inc.**
June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. **Business**—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of $20,000 or more. **Office**—44 School Street, Boston, Mass. **Underwriter**—A. G. Becker & Co., Inc., Chicago. **Offering**—Expected in mid-September.

Empire Life Insurance Co. of America (9/18)
March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Enterprise Hotel Development Corp.
May 19, 1961 filed 242,000 shares of common stock and 9,680 shares of preferred stock (par $100) to be offered for public sale in units of one preferred and 25 common shares. **Price**—$150 per unit. **Business**—The company was formed by the Commonwealth of Puerto Rico to build and own a luxury, beach-front hotel in San Juan. The hotel will be operated under a 30-year lease by a subsidiary of Sheraton Corp. of America. **Proceeds**—For construction. **Office**—1205 Ponce de Leon Avenue, Santurce, P. R. **Underwriter**—None.

● **Equitable Leasing Corp.**
June 19, 1961 ("Reg. A") 90,000 common shares (par 25 cents) being offered for subscription by stockholders of record August 15, with rights to expire August 30. **Price**—$2. **Proceeds** — For advertising and promotion, legal and audit fees, and working capital. **Office**—247 Charlotte St., Asheville, N. Y. **Underwriter**—Courts & Co., Atlanta.

● **Ets-Hokin & Galvan, Inc. (8/21)**
June 1, 1961 filed 209,355 common shares, including 100,000 to be sold by the company and 109,355 by stockholders. **Price**—By amendment. **Business**—Installs electrical and electronic systems in missile installations. **Proceeds**—For general corporate purposes. **Office**—551 Mission St., San Francisco, Calif. **Underwriter** — Van Alstyne, Noel & Co., New York (managing).

Executive Equipment Corp.
Aug. 1, 1961 filed 100,000 common shares. **Price** — $4. **Business**—The long-term leasing of automobiles. **Proceeds** — For the purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. **Office** — 790 Northern Blvd., Great Neck, N. Y. **Underwriters**—Reich & Co., and Jacques Coe & Co., New York.

★ **FM-Stereo Guide, Inc.**
Aug. 4, 1961 "Reg. A" 50,000 common shares. **Price**—$6. **Business**—The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. **Proceeds**—For general corporate purposes. **Office**—1711 Walnut Street, Philadelphia. **Underwriter** — Valley Forge Securities Co., Inc., New York City and Philadelphia.

Fairfield Controls, Inc.
May 19, 1961 filed 150,000 shares of common stock. **Price**—$1 per share. **Business**—The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. **Proceeds**—For equipment, repayment of a loan, inventory, advertising and working capital. **Office**—114 Manhattan Street, Stamford, Conn. **Underwriters** — First Philadelphia Corp., and Lieberbaum & Co., both of New York.

● **Faradyne Electronics Corp.**
Jan. 30, 1961 filed $2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co. **Note**—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement. A hearing on the matter will be held Sept. 5.

Fashion Homes Inc.
July 18, 1961 filed $600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from $4 to $8 per share) to be offered for public sale in units of one $60 debenture, 10 common shares and 10 warrants. The registration also covers 40,800 common shares. **Price**—$100 per unit, and $6 per share. **Business**—The construction of shell homes. **Proceeds**—For redemption of 8% debentures; advances to company's subsidiary; repayment of loans; advertising and promotion, and other corporate purposes. **Office**—1711 N. Glenstone, Springfield, Mo. **Underwriters** — Globus, Inc. and Ross, Lyon & Co., Inc., New York.

Federal Manufacturing & Engineering Corp.
June 30, 1961 filed 535,002 common shares of which 92,782 shares will be offered for subscription by stockholders on basis of 1 new share for each 5 shares held, and 92,782 shares offered for subscription by stockholders of Victoreen Instrument Co., parent firm, on the basis of one new share for each Victoreen share held. **Proceeds**—For the repayment of bank loans and other

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corporate purposes. **Office**—1055 Stewart Ave., Garden City, N. Y. **Underwriter**—None.

● Federal Tool & Manufacturing Co. (8/21)
June 12, 1961 filed 300,000 outstanding common shares. **Price** — $5. **Business**—The manufacture of short-term stampings out of metals. **Proceeds**—For the selling stockholders. **Office**—3600 Alabama Ave., Minneapolis. **Underwriter**—Jamieson & Co., Minneapolis.

First Mortgage Fund
June 12, 1961 filed 1,000,000 shares of beneficial interests. **Price** — $15. **Business** — A real estate investment trust. **Proceeds**—For investment. **Office**—30 Federal St., Boston. Underwriter—Shearson, Hammill & Co., N. Y. **Offering**—Expected in September.

First National Real Estate Trust
June 6, 1961 filed 1,000,000 shares of beneficial interest in the Trust. **Price**—By amendment. **Business**—Real estate investment. **Office**—15 William St., New York. **Distributor**—Aberdeen Investors Program, Inc., New York.

★ First National Realty & Construction Corp.
Aug. 11, 1961 filed $3,000,000 of 6½% subordinated debentures due 1976 (with warrants attached). **Price**—By amendment. **Business** — The construction and management of real estate. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—630 Third Avenue, New York. **Underwriter**—H. Hentz & Co., New York (managing).

First Small Business Investment Company of Tampa, Inc. (8/18)
Oct. 6, 1960 filed 500,000 shares of common stock. **Price —$12.50 per share. Proceeds — To provide investment capital. Office—Tampa, Fla. Underwriter—None.**

Fischbach & Moore, Inc.
June 29, 1961 filed 50,000 outstanding common shares. **Price**—By amendment. **Business**—Electrical contracting on office buildings, industrial plants and missile, radar and power plant installations. **Proceeds**—For the selling stockholders. **Office** — 545 Madison Ave., New York. Underwriter—Allen & Co., New York (managing).

● Flato Realty Fund (9/11)
April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—$10 per share. **Business**—A new real estate investment trust. **Proceeds** — For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi.

● Fleetwood Securities Corp. of America
Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. **Price**—$10. **Business**—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. **Proceeds**—To increase net capital and for investment. **Office**—44 Wall St., New York. **Underwriter** — General Securities Co., Inc., New York. **Offering**—Expected in early Oct.

Flora Mir Candy Corp.
May 24, 1961 (letter of notification) 85,700 shares of common stock (par 10 cents). **Price**—$3.50 per share. **Business**—The manufacture of candy products. **Proceeds**—For repayment of loans; working capital, and expansion. **Office**—1717 Broadway, Brooklyn, N. Y. **Underwriters**—Security Options Corp.; Jacey Securities Co. and Planned Investing Corp. all of New York City.

Florida Capital Corp.
June 23, 1961 filed 488,332 common shares to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—396 Royal Palm Way, Palm Beach, Fla. **Underwriter**—A. C. Allyn & Co., New York (managing).

Foamland U. S. A., Inc. (9/5)
June 22, 1961 filed 150,000 common shares, of which 90,000 shares are to be offered by the company and 60,000 shares by the stockholders. **Price**—$5. **Business**—The manufacture and retail sale of household furniture. **Proceeds**—For acquisition of new stores, development of new furniture items, working capital and other corporate purposes. **Office** — Cherry Valley Terminal Road, West Hempstead, N. Y. **Underwriter** — Fialkov & Co., Inc., New York (managing).

Fotochrome Inc.
June 29, 1961 filed $3,500,000 of convertible subordinated debentures due 1981 and 262,500 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. **Price** — By amendment. **Business** — The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. **Proceeds** — For construction of a new plant, purchase of equipment, moving expenses and for other corporate purposes. **Office**—1874 Washington Ave., New York. **Underwriters**—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., New York. **Offering**—Expected in September.

● Foursquare Fund, Inc.
Aug. 4, 1961 filed 500,000 common shares. **Price** — By amendment. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—27 State St., Boston. **Underwriter**—None.

● Fox-Stanley Photo Products, Inc. (8/24)
March 29, 1961 filed 387,500 shares of common stock (par $1) of which 50,000 shares are to be offered for public sale by the company and 337,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—In May 1961 the company plans to take over the businesses of The Fox Co., San Antonio, Tex., and the Stanley Photo Service, Inc., St. Louis, Mo., which are now engaged in the processing of photographic films and the sale of photographic equipment. **Proceeds**—For working capital and possible future acquisitions. **Office**—1734 Broadway, San Antonio, Tex. **Underwriter**—Equitable Securities Corp., Nashville, Tenn.

● Frontier Airlines, Inc. (9/5)
March 16, 1961 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Business**—The transportation by air of passengers, property and mail between 66 cities in 11 states. **Proceeds**—For the selling stockholders. **Office** — 5900 E. 39th Ave., Denver, Colo. **Underwriter**—To be named.

G-W Ameritronics, Inc. (8/21)
Jan. 25, 1961 filed 80,000 shares of common stock and 160,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at $2 per share from March to August 1961 and at $3 per share from September 1962 to February 1964. **Price** — $4 per unit. **Business** — The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds** — For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Note**—This company plans to change its name to G-W Industries.

★ General Foam Corp.
Aug. 15, 1961 filed $4,000,000 of 6% convertible subordinated debentures due 1981. **Price**—At par. **Business**—The manufacture of urethane foam and foam rubber products. **Proceeds**—For repayment of loans and working capital. **Office**—640 W. 134th St., New York. **Underwriter**—Brand, Grumet & Seigel, Inc., New York.

General Kinetics Inc.
Aug. 7, 1961 filed 200,000 common shares. **Price** — By amendment. **Business** — The company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. **Proceeds**—For expansion. **Office** — 2611 Shirlington Road, Arlington, Va. **Underwriters**—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

General Plastics Corp.
June 20, 1961 ("Reg. A") 60,000 common shares (par $1). **Price**—$5. **Proceeds**—For repayment of loans, inventory, equipment and working capital. **Office**—12414 Exposition Blvd., West Los Angeles, Calif. **Underwriters**—Pacific Coast Securities Co. and Sellgren, Miller & Co., San Francisco.

General Public Service Corp.
July 26, 1961 filed 3,947,795 common shares to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—By amendment. **Business**—A closed-end investment company. **Proceeds**—For investment. **Office**—90 Broad St., New York. **Underwriter** — Stone & Webster Securities Corp., New York (managing).

General Spray Service, Inc.
June 23, 1961 filed 90,000 class A common shares and warrants to purchase 90,000 class A common shares to be offered in units, each unit consisting of one class A share and one two-year warrant. **Price**—$3.50 per unit. **Business** — The manufacture of a spraying machine. **Office**—156 Katonah Ave., Katonah, N. Y. **Underwriter**—Ross, Lyon & Co., Inc., New York (managing).

● Geoscience Instrument Corp. (8/18)
June 22, 1961 ("Reg. A") 125,000 common shares (par one cent). **Price**—$1.25. **Business**—Preparation of minerals and metals for the electronic, metallurgical and geoscientific industries. **Proceeds** — For repayment of loans, purchase of equipment, expansion, working capital and other corporate purposes. **Office**—110-116 Beekman St., New York. **Underwriter** — First Philadelphia Corp., and Globus, Inc., New York.

Gerber Scientific Instrument Co.
July 14, 1961 filed 78,000 common shares, of which 60,000 shares are to be offered by the company and 18,000 shares by the stockholders. **Price** — By amendment. **Business** — The manufacture of scientific instruments. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—140 Van Block Ave., Hartford, Conn. **Underwriter**—Estabrook & Co., Boston, Mass.

Gibbs (T. R.) Medicine Co., Inc.
May 26, 1961 filed 110,000 shares of class A stock. **Price**—$3 per share. **Business**—The manufacture, marketing and distribution of proprietary drug products. **Proceeds**—For advertising and general corporate purposes. **Office**—1496 H Street, N. E., Washington, D. C. **Underwriter**—None.

● Gilbert Youth Research, Inc. (8/21)
May 29, 1961 filed 65,000 shares of common stock, of which 50,000 shares are to be offered for public sale by the company and 15,000 outstanding shares by the present stockholder. **Price**—To be supplied by amendment. **Business** — The company conducts consumer research, does telephone sales promotion and prepares articles and books which are related to or relate to merchandising advice to the teenage youth and student fields. **Proceeds**—For working capital. **Office**—205 E. 42nd Street, New York City. **Underwriter**—McDonnell & Co., N. Y.

Girder Process, Inc.
July 21, 1961 filed 80,000 class A common shares. **Price**—$5.25. **Business**—The manufacture of adhesive bonding films and related products. **Proceeds**—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product development, sales program, advertising, working capital and other corporate purposes. **Office**—102 Hobart Street, Hackensack, N. J. **Underwriter**—Winslow, Cohu & Stetson, New York (managing).

Glenn Pacific Corp.
July 27, 1961 filed 80,000 common shares. **Price**—$5. **Business**—The manufacture of power supplies for arc welding equipment. **Proceeds**—For repayment of a loan and working capital. **Office**—703—37th Ave., Oakland. **Underwriter**—Birr & Co., Inc., San Francisco.

Glickman Corp.
Aug. 3, 1961 filed 600,000 class A common shares. **Price**—By amendment. **Business**—Real estate. **Proceeds**—For investment. **Office**—501 Fifth Ave., New York. **Underwriters**—Bache & Co., and Hirsch & Co., New York (managing).

● Globe Coliseum, Inc.
July 21, 1961 ("Reg. A") 300,000 common shares. **Price**—At par ($1). **Proceeds**—For construction of a coliseum building, furnishings and incidental expenses. **Address**—c/o Fred W. Layman, 526 S. Center, Casper, Wyo. **Underwriter**—Northwest Investors Service, Inc., Billings, Mont.

★ Globe Rubber Products Corp.
Aug. 10, 1961 filed 175,000 common shares, of which 60,000 shares are to be offered by the company and 115,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of rubber floor mats, swim gear and household products. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—418 W. Ontario Street, Philadelphia. **Underwriter**—Kidder, Peabody & Co., New York (managing).

● Gloray Knitting Mills, Inc. (9/11)
June 30, 1961 filed 125,000 common shares. **Price**—By amendment. **Business** — The manufacture of boys and mens' knitted sweaters. **Proceeds**—For general corporate purposes. **Office**—Robesonia, Pa. **Underwriter**—Shields & Co., New York (managing).

● Gordon (I.) Realty Corp. (9/6)
June 20, 1961 filed 320,000 common shares. **Price**—$5. **Business**—Real estate investment. **Proceeds**—For general corporate purposes. **Office** — 112 Powers Bldg., Rochester, N. Y. **Underwriter**—George D. B. Bonbright & Co., Rochester, N. Y.

● Greene (M. J.) Co. (9/7)
June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Proceeds** — For expansion, and working capital. **Office**—14 Wood St., Pittsburgh. **Underwriter**—Hess, Grant & Remington, Inc., Philadelphia.

Gro-Rite Shoe Co., Inc.
July 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1970 to be offered for subscription by stockholders on the basis of one $100 debenture for each 60 shares held. **Price**—At par. **Business**—The manufacture of specialized children's shoes. **Proceeds**—For new molds, construction and working capital. **Address**—Route 2, Box 129, Mount Gilead, N. C. **Underwriter**—None.

Growth, Inc.
May 17, 1961 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Address**—Lynn, Mass. **Underwriter**—Mann & Creesy, Salem, Mass.

Growth Properties
May 9, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to engage in all phases of the real estate business. **Proceeds** — To reduce indebtedness, construct apartment units, buy land, and for working capital. **Office**—Suite 418, Albert Bldg., San Rafael, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif. (managing). **Offering**—Expected sometime in August.

Guy's Foods, Inc.
Aug. 2, 1961 filed 97,000 common shares (par $2). **Price**—$10. **Business**—The processing of foods. **Proceeds**—For purchase of buildings, equipment and additional inventories. **Office**—2215 Harrison, Kansas City, Mo. **Underwriter**—Allen & Co., New York (managing).

Gyrodyne Co. of America, Inc. (9/22)
July 13, 1961 filed $1,500,000 of convertible subordinated debentures due 1976 (with attached warrants) and 90,000 common shares to be offered in 30,000 units each consisting of $50 of debentures (with warrants) and three common shares. **Price**—By amendment. **Business**—The manufacture of helicopters. **Proceeds**—For redemption of preferred stock, construction, purchase of machinery and equipment, furniture and fixtures and working capital. **Office**—St. James, L. I., N. Y. **Underwriter**—Harriman Ripley & Co., New York (managing).

Hallmark Insurance Co., Inc.
Aug. 3, 1961 filed 225,000 common shares. **Price** — $3. **Business**—An insurance company. **Proceeds**—For capital and surplus. **Office**—636 S. Park St., Madison, Wis. **Underwriters**—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

Hamilton Electro Corp.
Aug. 9, 1961 filed 135,000 common shares, of which 80,000 shares are to be offered by the company and 55,000 shares by stockholders. **Price**—$7.50. **Business**—The distribution of solid state electronic parts and equipment. **Proceeds**—For inventory, new product lines, repayment of loans and working capital. **Office**—11965 Santa Monica Blvd., Los Angeles, Calif. **Underwriter** — William Norton Co., New York.

Hampton Sales Co., Inc.
July 27, 1961 filed 150,000 common shares. **Price**—$4. **Business**—The operation of real discount stores. **Proceeds**—For repayment of bank loans and working capital. **Office**—8000 Cooper Ave., Glendale, L. I. (Queens), N. Y. **Underwriter**—Godfrey, Hamilton, Magnus & Co., Inc., New York.

Happy House, Inc.
July 28, 1961 filed 700,000 common shares. **Price**—$1. **Business**—The marketing of gifts, candies and greeting

cards through franchised dealers. **Proceeds**—For equipment, inventory and working capital. **Office**—11 Tenth Ave., S., Hopkins, Minn. **Underwriter**—None.

Harmon (George) Co., Inc.
July 21, 1961 ("Reg. A") 62,500 common shares. **Price**—$4. **Proceeds**—For working capital, equipment, research and development, advertising, etc. **Office**—18141 Napa St., Northridge, Calif. **Underwriter**—Hamilton Waters & Co., Inc., Hempstead, N. Y.

● **Harn Corp. (8/28)**
June 20, 1961 filed 150,000 common shares of which an undisclosed number will be offered by the company for subscription by stockholders and the balance (amounting to $300,000 after underwriting commissions) by a stockholder. **Price**—By amendment. **Business**—The manufacture of products for baby care such as quilts, pillows, knitted garments, etc. **Proceeds**—For the repayment of loans, purchase of raw materials and equipment, leasehold improvements, and working capital. **Office**—1800 E. 38th St., Cleveland. **Underwriter**—J. R. Williston & Beane, New York (managing).

Hathaway Instruments, Inc.
May 5, 1961 filed 351,280 shares of common stock, of which up to 90,000 shares are to be offered for public sale by the present holders thereof and the balance by the company. **Price** — At-the-market at time of sale. **Business**—The design, manufacture and sale of electric power recording instruments. **Office**—2401 E. Second Avenue, Denver, Colo. **Underwriters**—Bear, Stearns & Co. and Wertheim & Co., New York, N. Y. **Note**—This statement will be withdrawn. The company is expected to merge with Lionel Corp. Stockholders are to vote on the merger Sept. 7, 1961.

★ **Hawaiian Telephone Co.**
Aug. 15, 1961 filed 782,144 common shares, of which 711,040 shares are to be offered for subscription by stockholders on the basis of one new share for each six shares held and 71,104 shares to be sold to employees. **Price**—By amendment. **Proceeds**—For working capital. **Office**—1130 Alakea St., Honolulu. **Underwriter**—Kidder, Peabody & Co., New York (managing).

★ **Hawthorne Financial Corp.**
Aug. 10, 1961 filed 33,117 capital shares. **Price** — By amendment. **Business**—A holding company for a savings and loan association and an insurance agency. **Proceeds**—For the selling stockholders. **Office**—305 S. Hawthorne Boulevard, Hawthorne, Calif. **Underwriter** — Crowell, Weedon & Co., Los Angeles.

Hazeltine Investment Corp.
June 5, 1961 filed 13,000 5% preferred shares ($100 par) and 13,000 common shares to be offered for sale in units of one preferred and one common share. **Price**—$101 per unit. **Business**—The acquisition and development of real estate. **Proceeds** — For investment, repayment of debt, and working capital. **Office**—660 Grain Exchange, Minneapolis. **Underwriter**—None.

Hexagon Laboratories, Inc.
July 20, 1961 filed $540,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of $300 of debentures and 50 common shares. **Price**—$500 per unit. **Business**—The manufacture of medicinal chemicals. **Proceeds**—For equipment, expansion, repayment of loans and working capital. **Office**—3536 Peartree Avenue, New York. **Underwriter**—Stearns & Co., New York (managing).

Hi-Shear Corp.
Aug. 1, 1961 filed 139,500 common shares, of which 105,000 will be sold by the company and 34,500 by stockholders. **Price**—By amendment. **Business**—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. **Proceeds**—For construction, repayment of loans and other corporate purposes. **Office** — 2600 W. 247th St., Torrance, Calif. **Underwriter**—William R. Staats & Co., Los Angeles.

Hilco Homes Corp.
June 30, 1961 filed $650,000 of 6½% convertible subordinated debentures due 1979 and 195,000 common shares to be offered for public sale in 6,500 units, each consisting of one $100 debenture and 30 common shares. **Price**—By amendment. **Business**—The manufacture of pre-cut homes and components in the heating, plumbing and kitchen equipment fields. **Proceeds**—To organize a new finance subsidiary, for plant expansion, and for working capital. **Office**—70th St., and Essington Ave., Philadelphia. **Underwriter**—Rambo, Close & Kerner, Inc. Philadelphia.

Hoffman International Corp.
July 18, 1961 filed $1,890,700 7% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of $100 of debentures for each 25 shares held. **Price**—At par. **Business**—The manufacture of pressing and dry-cleaning equipment. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—107 Fourth Ave., New York. **Underwriter**—J. R. Williston & Beane, New York.

Hogan Faximile Corp.
July 26, 1961 filed 300,000 common shares. **Price** — By amendment. **Business**—The manufacture of electrolytic recording paper and equipment. **Proceeds**—For repayment of debt and working capital. **Office**—635 Greenwich St., New York. **Underwriter**—William R. Staats & Co., Los Angeles (managing).

Holly Stores, Inc.
July 28, 1961 filed 175,000 common shares, of which 100,000 shares are to be offered by the company and 75,000 shares by the stockholders. **Price**—By amendment. **Business**—The operation of a chain of women's and children's apparel stores. **Proceeds**—For land purchase, inventory and general corporate purposes. **Office**—115 Fifth Ave., New York. **Underwriter**—Allen & Co., New York (managing).

Hollywood Artists Productions Inc.
July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The production of motion picture and TV feature films. **Proceeds**—For repayment of loans, producers' fee, stories and working capital. **Office**—350 Lincoln Rd., Miami Beach, Fla. **Underwriter**—A. M. Shulman & Co., Inc., New York. 37 Wall St., New York.

● **Houston Corp. (9/18)**
June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. **Price**—By amendment. **Business** — The operation of a pipe line system of natural gas. **Proceeds**—For expansion, working capital and general corporate purposes. **Office**—First Federal Bldg., St. Petersburg, Fla. **Underwriters**—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York.

Howe Plastics & Chemical Companies, Inc.
March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—At-the-market. **Business**—The manufacture of plastic items. **Proceeds**—For the repayment of debt; advertising and sales promotion; expansion and working capital. **Office**—4077 Park Ave., Bronx 57, N. Y. **Underwriter**—To be named.

Hydroswift Corp.
Oct. 20, 1960 filed 120,000 shares of common stock. **Price**—$3 per share. **Business**—The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." **Proceeds**—For general funds, including expansion. **Office**—1750 South 8th Street, Salt Lake City, Utah. **Underwriter** — Whitney & Co., Salt Lake City, Utah. **Note**—This offering has been temporarily postponed.

Ihnen (Edward H.) & Son, Inc. (9/5-8)
May 16, 1961 filed 75,000 shares of common stock. **Price**—$5 per share. **Business**—The construction of public and private swimming pools and the sale of pool equipment. **Proceeds**—To reduce indebtedness, to buy equipment, and for working capital. **Office**—Montvale, N. J. **Underwriter**—Amos Treat & Co., Inc., New York City.

Illinois Tool Works Inc.
July 12, 1961 filed 100,000 outstanding common shares (par $10). **Price**—By amendment. **Business**—The manufacture of metal and plastic fasteners, gear-cutting tools, measuring instruments, etc. **Proceeds**—For the selling stockholders. **Office**—2501 N. Keeler Ave., Chicago. **Underwriter**—White, Weld & Co., New York (managing). **Offering**—Expected in early September.

● **Income Planning Corp. (8/28)**
Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. **Price** — $40 per unit. **Proceeds**—To open a new branch office, development of business and for working capital. **Office**—3300 W. Hamilton Boulevard, Allentown, Pa. **Underwriter**—Espy & Wanderer, Inc., Teaneck, N. J.

Industrial Electronic Hardware Corp.
June 29, 1961 filed $1,000,000 of 6% convertible subordinated debentures due Aug. 1, 1976 to be offered by the company and 25,000 outstanding common shares by the stockholders (par 50c). **Price**—For debentures—100%; For stock—By amendment. **Business**—The manufacture of basic component parts for the electrical and electronic equipment industry. **Proceeds**—For expansion, inventory, introduction of new products and general corporate purposes. **Office**—109 Prince Street, New York. **Underwriter**—S. D. Fuller & Co., New York (managing). **Offering**—In early September.

● **Industrial Engravers, Inc.**
June 6, 1961 ("Reg. A") 120,000 common shares (par 10 cents). **Price**—$2. **Business**—The marking and fabrication for metal parts. **Proceeds**—For moving expenses, plant equipment, sales promotion and working capital. **Office** — 2212 McDonald Ave., Brooklyn, N. Y. **Underwriter**—A. J. Frederick Co., Inc., New York. **Note**—This company formerly was named Data Components, Inc.

● **Industrial Gauge & Instrument Co., Inc. (8/28-9/1)**
June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price** — $3. **Business** — The sale of industrial gauges, valves and allied products. **Proceeds**—For production, inventory, working capital and repayment of loans. **Office**—1403 E. 180th St., New York 69, N. Y. **Underwriter**—R. F. Dowd & Co., Inc., New York.

● **Industrial Materials, Inc.**
Name changed to MPI Glass Fibers, Inc., below.

Industrionics Controls, Inc.
July 26, 1961 filed 84,000 common shares. **Price** — $5. **Business**—The manufacture of electronic controls for the monitoring of machinery. **Proceeds**—For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. **Office**—20 Vandam St., New York. **Underwriter**—Jacey Securities Co., New York (managing).

Industry Fund of America, Inc.
July 10, 1961 filed 740,000 common capital shares. **Price**—Net asset value plus a sales charge of up to 8½%. **Business** — A mutual fund. **Proceeds** — For investment. **Office**—400 Utah Savings Bldg., Salt Lake City. **Underwriter**—None.

Instrument Systems Corp.
June 28, 1961 filed 150,000 common shares (par 25 cents). **Price**—$5. **Business**—The manufacture of precision instruments and controls for the aircraft and electronics industries. **Proceeds**—For expansion and working capital. **Office**—129-07 18th Avenue, College Point, N. Y. **Underwriters**—Milton D. Blauner & Co. (managing), M. L. Lee & Co., Inc., Lieberbaum & Co., New York. **Offering**—Expected in late August.

● **Intercontinental Dynamics Corp. (8/28-9/1)**
July 18, 1961 ("Reg. A") 200,000 common shares. **Price**—$1.50. **Business**—The manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. **Office**—170 Coolidge Avenue, Englewood, N. J. **Underwriter** — M. H. Woodhill Inc., New York.

International Parts Corp.
June 20, 1961 filed 300,000 outstanding class A common shares to be sold by stockholders. **Price**—By amendment. **Business**—The sale of replacement parts for automobiles. **Proceeds**—For the selling stockholders. **Office**—4101 W. 42nd Place, Chicago. **Underwriter** — H. M. Byllesby & Co., Chicago.

Interstate Bowling Corp.
July 25, 1961 filed 150,000 common shares. **Price**—$3.50. **Business** — The acquisition and operation of bowling centers in Colorado, California and other states. **Proceeds**—For repayment of debts and general corporate purposes. **Office** — 10391 Magnolia Ave., Riverside, Calif. **Underwriter** — Currier & Carlsen, Inc., Los Angeles.

Irvan Ferromagnetics Corp. (8/30)
July 6, 1961 ("Reg. A") 40,000 common shares (par 50 cents). **Price**—$5. **Proceeds**—For production equipment, repayment of loans and research. **Office**—13856 Saticoy St., Van Nuys, Calif. **Underwriters**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif. and Maltz, Greenwald & Co., New York.

Irwin (Richard D.), Inc.
July 10, 1961 filed 160,000 common shares of which 35,000 shares are to be offered by the company and 125,000 by stockholders. **Price**—By amendment. **Business**—The publishing of textbooks on business and economic subjects. **Proceeds** — For working capital and general corporate purposes. **Office**—1818 Ridge Road, Homewood, Ill. **Underwriter**—A. G. Becker & Co., Inc., New York (managing).

Israel-America Hotels, Ltd. (8/29)
June 8, 1961 filed 1,250,000 ordinary shares. **Price**—$1 per share, payable in cash or State of Israel bonds. **Business**—The operation of hotels. **Proceeds**—For construction and operation of a hotel at Herzlia, Israel. **Address**—Tel Aviv, Israel. **Underwriter**—Brager & Co., New York.

Israel Investors Corp.
July 26, 1961 filed 100,000 common shares. **Price**—$104. **Business**—An investment company formed to invest in Israeli enterprises. **Proceeds**—For investment. **Office**—350 Broadway, New York. **Underwriter**—None.

"Isras" Israel-Rassco Investment Co. Ltd.
March 27, 1961 filed 30,000 shares of ordinary stock. **Price**—$62 per share. The company may, but is not obligated to, accept payment in State of Israel bonds. **Proceeds**—For the construction of hotels, office buildings, housing projects and the like. **Office**—Tel Aviv, Israel. **Underwriter**—None.

Ivest Fund, Inc.
Feb. 20, 1961 filed 150,000 shares of common stock. **Price**—Net asset value at the time of the offering. **Business** — A non-diversified, open-end investment company, whose stated objective is capital appreciation. **Proceeds**—For investment. **Office** — One State Street, Boston. **Underwriter**—Ivest, Inc., One State Street, Boston. **Offering**—Expected in September.

● **Jaymax Precision Products, Inc. (8/21)**
July 5, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Proceeds**—For construction, purchase of equipment, inventory and working capital. **Office**—15 Broad St., New York. **Underwriter**—Armstrong & Co., Inc., New York.

Jefferson Counsel Corp.
March 13, 1961 filed 30,000 shares of class B common stock (non-voting). **Price**—$10 per share. **Business**—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. **Proceeds**—For organizational and operating expenses. **Office**—52 Wall St., New York City. **Underwriter**—None.

Jefferson Growth Fund, Inc.
July 11, 1961 filed 1,000,000 shares of capital stock. **Price**—Net asset value plus 8½% sales commission. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—52 Wall St., New York. **Underwriter**—Jefferson Distributors Corp., New York.

Jergens (Andrew) Co.
Aug. 3, 1961 filed 250,002 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of toiletries. **Proceeds**—For the selling stockholders. **Office**—2535 Spring Grove Ave., Cincinnati. **Underwriter**—Hornblower & Weeks, New York (managing).

Jolyn Electronic Manufacturing Corp. (8/30)
April 24, 1961 (letter of notification) 65,500 shares of common stock (par one cent). **Price** — $3 per share. **Business**—The manufacture of machine tool products, drift meters, sextants and related items. **Proceeds**—For repayment of a loan, working capital, and general corporate purposes. **Office**—Urban Avenue, Westbury, L. I., N. Y. **Underwriter**—Kerns, Bennett & Co., Inc., New York, N. Y.

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★ Kaufman & Broad Building Co.
Aug. 11, 1961 filed 174,500 common shares, of which 124,500 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The construction and sale of low-priced homes. **Proceeds**—For repayment of loans and working capital. **Office**—18610 W. Eight Mile Road, Southfield, Mich. **Underwriter**—Bache & Co., New York (managing).

Keller Corp.
June 29, 1961 filed $1,200,000 of 6½% convertible subordinated debentures due 1968. **Price**—At 100%. **Business**—The development of land, construction of homes and related activities in Florida. **Proceeds**—For repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. **Office**—101 Bradley Place, Palm Beach, Fla. **Underwriter**—Casper Rogers & Co., Inc., New York (managing).

Kent Washington, Inc.
July 19, 1961 filed 200,000 common shares. **Price**—$5. **Business**—General real estate. **Proceeds**—For repayment of loans, working capital, construction and other corporate purposes. **Office**—1420 K Street, N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

★ Keystone Alloys Co.
Aug. 10, 1961 filed 42,000 common shares. **Price**—By amendment. **Business**—The manufacture of aluminum siding and doors and accessories. **Proceeds**—For acquisitions and repayment of loans. **Office**—511 Mellon Bank Building, Latrobe, Pa. **Underwriter**—Singer, Deane & Scribner, Pittsburgh (managing).

King's Department Stores, Inc. (9/13)
July 12, 1961 filed 500,000 common shares (par $1) of which 250,000 shares are to be offered by the company and 250,000 shares by the stockholders. **Price** — By amendment. **Proceeds**—For expansion. **Office**—910 Commonwealth Ave., Boston, Mass. **Underwriter**—Shearson, Hammill & Co., New York (managing).

King's Office Supplies & Equipment, Inc.
July 5, 1961 ("Reg. A") 65,000 common shares (par $1). **Price**—$2. **Proceeds**—For inventory and working capital. **Office**—515-5th St., Santa Rosa, Calif. **Underwriter** — Pacific Coast Securities Co., San Francisco.

● Kirk (C. F.) Laboratories, Inc. (9/5-8)
June 16, 1961 filed 100,000 common shares. **Price**—By amendment. **Business**—The manufacture of pharmaceuticals. **Proceeds**—For repayment of a loan, purchase and installation of equipment, development and promotion of new products and for working capital. **Office**—521 W. 23rd Street, New York. **Underwriter**—Hill, Darlington & Grimm, New York (managing).

Kleber Laboratories, Inc.
July 17, 1961 ("Reg. A") 150,000 common shares (par two cents). **Price** — $2. **Proceeds** — For repayment of debt, equipment, research and development, and working capital. **Office**—215 S. La Cienga Boulevard, Beverly Hills, Calif. **Underwriter**—D. E. Liederman & Co., Inc., New York.

Kronfeld (Phil), Inc.
July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Business**—The operation of men's retail stores. **Proceeds**—For a new store, working capital and general corporate purposes. **Office** — 201 W. 49th Street, New York. **Underwriter**—Kerns, Bennett & Co., Inc., New York.

★ Kulicke & Soffa Manufacturing Co.
Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of machinery for production of transistors and similar devices. **Proceeds**—For payment of taxes, new products, down payment on a new plant and general corporate purposes. **Office**—401 N. Broad St., Philadelphia. **Underwriter**—Marron, Sloss & Co., Inc., New York (managing).

L. L. Drug Co., Inc.
July 26, 1961 filed 100,000 common shares. **Price**—$4.50. **Business** — The manufacture or pharmaceuticals. **Proceeds**—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. **Office**—1 Bala Ave., Bala-Cynwyd, Pa. **Underwriter**—Stevens Investment Co., Bala-Cynwyd, Pa.

"Lapidoth" Israel Oil Prospectors Corp. Ltd.
Oct. 27, 1960 filed 1,500,000 ordinary shares. **Price**—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. **Business**—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. **Proceeds**—For exploration and development of oil lands. **Office**—32 Rothschild Blvd., Tel-Aviv, Israel. **Underwriter**—None.

Leader Durst Tri-State Co.
July 21, 1961 filed $2,015,750 of limited partnership interests. **Price** — $5,000 per interest. **Business** — A real estate investment company. **Proceeds**—For investment. **Office**—41 E. 42nd Street, New York. **Underwriter**—None.

Lee Filter Corp.
July 7, 1961 ("Reg. A") 1,334 capital shares (par $1). **Price**—$7.25. **Business**—The manufacture of air, oil and gasoline filters for vehicles. **Proceeds**—For the selling stockholders. **Office**—191 Talmadge Road, Edison, N. J. **Underwriter**—Omega Securities Corp., New York (managing).

Lewis & Clark Marina, Inc. (9/8)
May 9, 1961 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Address**—Yankton, S. D. **Underwriter** — The Apache Investment Planning Division of the Apache Corp., Minneapolis.

Lewis (Tillie) Foods, Inc. (8/28-9/8)
July 3, 1961 filed 400,000 common shares (par $1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. **Price**—By amendment. **Business**—The processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For repayment of debt and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.
Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. **Proceeds** — For repayment of loans, inventory and working capital. **Office**—325 W. Houston Street, New York. **Underwriter**—Tau Inc., New York.

Liberty Real Estate Trust of Florida
June 30, 1961 filed 2,500,000 shares of beneficial interest in the Trust to be offered in exchange for real property, interests in real property and mortgages on property in Florida. **Price**—$10 per share. **Office**—1230 N. Palm Ave., Sarasota, Fla. **Underwriter** — Liberty Securities Corp., Sarasota, Fla.

Lincoln Fund, Inc. (9/18)
March 30, 1961 filed 951,799 shares of common stock. **Price** — Net asset value plus a 7% selling commission. **Business** — A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New York.

★ Liverpool Industries, Inc.
Aug. 1, 1961 "Reg. A" 85,700 common shares (par 10 cents). **Price** — $3.50. **Business** — The manufacture of precision parts for the aircraft and electronic industries. **Proceeds**—For sales promotion and working capital. **Office**—162 57th Street, Brooklyn, N. Y. **Underwriter**—Arden, Perin & Co., Inc., New York. **Offering**—Expected about mid-Sept.

Loew's Companies, Inc.
July 28, 1961 filed 431,382 common shares. **Price** — By amendment. **Business**—The retail and wholesale distribution of building supplies, household fixtures and appliances, etc. **Proceeds** — For the selling stockholders. **Address**—North Wilkesboro, N. C. **Underwriter**—G. H. Walker & Co., Inc., New York (managing).

Londontown Manufacturing Co.
Aug. 8, 1961 filed 150,000 common shares. **Price** — By amendment. **Business**—The manufacture of rainwear and golf jackets. **Office**—3600 Clipper Mill Road, Baltimore. **Underwriter**—Alex. Brown & Sons, Baltimore.

Long Falls Realty Co.
July 21, 1961 filed $1,708,500 of limited partnership interests. **Price**—$5,000 per interest. **Business**—General real estate. **Proceeds**—For investment. **Office**—18 E. 41st Street, New York. **Underwriter** — Tenney Securities Corp., New York.

Long Island Bowling Enterprises, Inc. (8/18)
May 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The operation of bowling alleys. **Proceeds**—For general corporate purposes. **Address**—Mattituck, L. I., N. Y. **Underwriter**—Trinity Securities Corp., New York City.

● Long-Lok Corp.
July 26, 1961 ("Reg. A") 100,000 capital shares (no par). **Price**—$3. **Proceeds**—For a new subsidiary, machinery repayment of a loan and working capital. **Office**—4101 Redwood Ave., Los Angeles. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles.

Lortogs, Inc.
July 26, 1961 filed 200,000 common shares, of which 150,000 shares are to be offered by the company and 50,000 shares by the stockholders. **Price**—$6.50. **Business**—The manufacture of children's sportswear. **Proceeds**—For repayment of loans; inventories; new products; working capital, and general corporate purposes. **Office**—85 Tenth Ave., New York. **Underwriter**—Reich & Co., New York (managing).

Lytton Financial Corp. (8/18)
March 30, 1961 filed 300,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. **Proceeds**—To repay loans and for working capital. **Office** — 8150 Sunset Boulevard, Hollywood, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing).

● M P I Glass Fibers, Inc. (9/18)
April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Business**—The manufacture of a new patented fiber glass material to be used in rocket motor cases. **Proceeds**—For expenses, equipment and working capital. **Office**—1025 Shoreham Bldg., Washington, D. C. **Underwriter**—Atlantic Equities Co., Washington, D. C. **Note**—This company formerly was named Industrial Materials, Inc.

● MPO Videotronics, Inc. (8/21)
June 28, 1961 filed 60,000 common shares. **Price**—By amendment. **Business**—The production of television commercials and motion pictures for industry. **Proceeds**—For expansion. **Office**—15 E. 53rd Street, New York. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

● MacLevy Associates, Inc.
July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). **Price**—$2. **Business**—The distribution of health, exercise and slenderizing equipment. **Proceeds**—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. **Office**—189 Lexington Avenue, New York 16, N. Y. **Underwriter**—Continental Bond & Share Corp., Washington, D. C.

Mag-Tronics Corp.
July 17, 1961 ("Reg. A") 250,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For inventory, equipment and working capital. **Office**—2419 Hiawatha Ave., Minneapolis. **Underwriter**—Craig-Hallum Kinnard, Inc., Minneapolis.

Magazines For Industry, Inc.
Aug. 2, 1961 filed 135,000 common shares. **Price** — By amendment. **Business**—The publishing of business periodicals. **Proceeds**—For promotion, a new publication and working capital. **Office**—660 Madison Ave., New York. **Underwriter**—S. D. Fuller & Co., New York (managing).

Magna Pipe Line Co. Ltd.
June 1, 1961 filed 750,000 common shares, of which 525,000 will be offered for sale in the U. S., and 225,000 in Canada. **Price**—By amendment. **Business**—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Vancover Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. **Proceeds**—For construction. **Office**—508 Credit Foncier Bldg., Vancouver, B. C. **Underwriters**—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pitfield & Co., Ltd., Montreal. **Note**—This registration has been temporarily postponed.

Magnetic Metals Co.
July 28, 1961 filed 151,200 common shares. **Price**—By amendment. **Business** — The manufacture of magnetic components used in the electrical and electronics industries. **Proceeds**—For the selling stockholders. **Office**—Hayes Avenue at 21st Street, Camden, N. J. **Underwriter**—Butcher & Sherrerd, Philadelphia (managing).

Mairs & Power Income Fund, Inc. (9/18)
June 7, 1961 filed 40,000 common shares. **Price** — By amendment. **Business**—A mutual fund. **Proceeds** — For investment. **Office**—1002 First National Bank Bldg., St. Paul, Minn. **Underwriter**—None.

Marine Structures Corp.
Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Proceeds**—To purchase raw materials, advertising and for working capital. **Office**—204 E. Washington St., Petaluma, Calif. **Underwriter**—Grant, Fontaine & Co., Oakland, Calif.

Mark Truck Rental Corp.
June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). **Price**—$1. **Proceeds**—For working capital. **Office**—301 Cliff Ave., Scranton, Pa. **Underwriter**—Vickers Securities Corp., New York.

Marks Polarized Corp.
June 27, 1961 filed 95,000 common shares. **Price** — By amendment. **Proceeds** — For expansion, acquisition of new facilities and other corporate purposes. **Office**—153-16 Tenth Ave., Whitestone, N. Y. **Underwriters**—Ross, Lyon & Co., Inc. (managing), and Globus, Inc., N. Y.

Marsan Industries, Inc. (8/21)
June 6, 1961 filed 125,000 shares of class A common. **Price**—$4 per share. **Business**—The issuing firm is a holding company for Jersey Packing Co., and a closed circuit television camera manufacturer. **Proceeds**—For the purchase of equipment, research and development, expansion of the Missiltronics Division, advertising, inventory and working capital. **Office** — 136 Orange St., Newark, N. J. **Underwriter**—T. M. Kirsch & Co., New York City. **Note** — This company formerly was named American Missiltronics Corp.

★ Marshall Industries
Aug. 4, 1961 filed 131,305 common shares to be offered for subscription by stockholders on the basis of one new share for each four shares held. **Price**—By amendment. **Business** — The manufacture of electronic components and instruments primarily for space and missile applications. **Proceeds**—For repayment of debt and advances to subsidiaries. **Office**—2065 Huntington Dr., San Marino, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York (managing).

Master Craft Medical & Industrial Corp.
July 10, 1961 filed ("Reg. A") 75,000 common shares. **Price**—$4. **Business**—The manufacture of medical and industrial plastic devices. **Proceeds**—For general corporate purposes. **Office**—95-01 150th Street, Jamaica 35, N. Y. **Underwriter**—Sulco Securities, Inc., N. Y. C.

Medco, Inc.
July 13, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The operation of jewelry concessions in closed-door membership department stores. **Proceeds**—For expansion. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriters**—Midland Securities Co., Inc. (managing) and Barret, Fitch, North & Co., Inc., Kansas City, Mo.

Merchants Co.
June 19, 1961 ("Reg. A") $300,000 of 6% convertible 15-year subordinated debentures due 1976 to be offered for subscription by stockholders for 14 days in units of $100 each. **Price**—At par. **Proceeds**—For working capital. **Office**—300 E. Pine St., Hattiesburg, Miss. **Underwriter**—Lewis & Co., Jackson, Miss.

● Micro-Lectric, Inc. (9/5)
June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). **Price**—$4. **Business**—The manufacture and de-

sign of potentiometers used in computers, ground control guidance systems and missiles. **Proceeds**—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. **Office**—19 Debevoise Avenue, Roosevelt, N. Y. **Underwriter**—Underhill Securities Corp., New York.

● Micro-Precision Corp. (9/11)
July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). **Price**—$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. **Proceeds**—For expansion and working capital. **Office**—55 Ninth St., Brooklyn, N. Y. **Underwriter**—Manufacturers Securities Corp., 511 Fifth Ave., New York 17, N. Y.

Microwave Semiconductor & Instruments Inc.
May 12, 1961 filed 120,000 shares of common stock. **Price**—$3 per share. **Business**—The research, development, manufacture and sale of microwave devices and instruments. **Proceeds**—For additional equipment, research, inventory and working capital. **Office** — 116-06 Myrtle Avenue, Richmond Hill, N. Y. **Underwriter** — First Investment Planning Co., Washington, D. C.

Middle Atlantic Credit Corp.
July 27, 1961 filed $120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of $200 of debentures and 100 shares of stock. **Price**—$500 per unit. **Business**—A commercial and industrial finance company. **Proceeds**—For working capital. **Office**—1518 Walnut St., Philadelphia. **Underwriters**—R. L. Sheinman & Co., and A. W. Benkert & Co., Inc., New York.

Middle Atlantic Investment Co.
June 22, 1961 filed 70,000 common shares. **Price**—$10. **Business**—An investment company. **Proceeds**—For investment and working capital. **Address**—Elkins Park, Pa. **Underwriter**—Best & Garey Co., Inc., Washington, D. C.

Midwest Investors Fund, Inc.
July 17, 1961 filed 5,000,000 common shares. **Price**—By amendment. **Business**—A mutual fund. **Proceeds**—For investment. **Office** — 1815 First National Bank Bldg., Minneapolis. **Underwriter** — Midwest Planned Investments, Inc., Minneapolis.

Midwest Technical Development Corp.
July 14, 1961 filed 800,000 common shares. **Price**—By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—2615 First National Bank Bldg., Minneapolis. **Underwriters** — Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

★ Miner Industries, Inc.
Aug. 10, 1961 filed 120,000 common shares. **Price**—$4.50. **Business**—The manufacture of toys. **Proceeds**—For new products, advertising and working capital. **Office**—430 Southern Boulevard, New York. **Underwriters**—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minichrome, Inc. (8/30)
June 16, 1961 ("Reg. A") 150,000 common shares (par 15 cents). **Price**—$1.15. **Proceeds**—For film processing machines, machinery installation and working capital. **Office**—980 W. 79th St., Minneapolis, Minn. **Underwriter**—Continental Securities, Inc., Minneapolis, Minn.

★ Minuit Investing Corp.
Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par $1). **Price**—$10. **Business**—An investment company. **Proceeds**—For acquisitions, working capital and general corporate purposes. **Office**—225 Broadway, New York 7, N. Y. **Underwriter** — Pine Tree Securities, Inc., 225 Broadway, New York 7, N. Y.

● Missile-Tronics Corp. (8/21)
May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). **Price**—$1.50 per share. **Business**—The manufacturers of technical equipment. **Proceeds** — For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. **Office**—245 4th St., Passaic, N. J. **Underwriter** — Hopkins, Calamari & Co., Inc., 26 Broadway, New York, N. Y. **Offering**—Imminent.

Missouri Fidelity Life Insurance Co.
July 14, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—A life insurance company. **Proceeds**—To be added to capital and surplus accounts. **Office**—4221 Lindell Blvd., St. Louis. **Underwriter**—A. C. Allyn & Co., Chicago (managing).

Missouri Utilities Co.
July 3, 1961 filed 50,676 common shares to be offered for subscription by stockholders on the basis of one new share for each 10 shares held. **Price**—By amendment. **Proceeds**—For repayment of loans and for expansion. **Address**—Cape Girardeau, Mo. **Underwriter**—Edward D. Jones & Co., St. Louis, Mo.

● Mite Corp. (9/29)
June 23, 1961 filed 325,000 capital shares. **Price**—By amendment. **Business**—The manufacture of mechanical, electro-mechanical and electronic equipment, including sewing machine attachments, small electric motors, Polaroid Land cameras, etc. **Proceeds**—For equipment, repayment of loans; research, development and engineering and general corporate purposes. **Office**—446 Blake St., New Haven, Conn. **Underwriters**—Kidder, Peabody & Co., New York and Charles W. Scranton & Co., New Haven, Conn. (managing).

Mobile Estates, Inc.
June 27, 1961 filed 140,000 common shares. **Price**—$6. **Proceeds**—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. **Office**—26 Dalbert, Carteret, N. J. **Underwriter**—Harry Odzer Co., New York (managing).

● Moderncraft Towel Dispenser Co., Inc.
March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. **Price**—$4 per share. **Business**—The manufacture and sale of an improved towel dispensing cabinet. **Proceeds**—For advertising, research and development, payment of debt, and working capital. **Office** — 20 Main Street, Belleville, N. J. **Underwriter**—United Planning Corp., Newark, N. J.

Mohawk Insurance Co. (8/21-25)
Aug. 8, 1960, filed 75,000 shares of class A common stock. Price—$12 per share. Proceeds—For general funds. Office—198 Broadway, New York City. Underwriter—R. F. Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

Mon-Art, Inc.
June 26, 1961 ("Reg. A") 60,000 convertible preferred shares. **Price**—At par ($5). **Business**—The manufacture of mosaic tile kits. **Proceeds**—For retirement of debt, increase of inventory and purchase of equipment. **Office** — 1548 E. Grand Blvd., Detroit. **Underwriter** — Davis, Rowady & Nichols Inc., Detroit.

Mon-Dak Feed Lot, Inc.
July 17, 1961 filed 150,000 common shares. **Price**—$3. **Business**—The breeding of livestock owned by others. **Proceeds**—For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. **Address**—Glendive, Mont. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp.
Aug. 1, 1961 filed 200,000 shares of capital stock. **Price**—$10. **Business** — A small business investment company. **Office**—First National Bank Bldg., Main St., Freehold, N. J. **Underwriter**—Meade & Co., New York.

● Monticello Lumber & Mfg. Co., Inc. (8/28)
April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The sale of lumber, building supplies and hardware. **Proceeds**—To repay loans and for working capital. **Address**—Monticello, N. Y. **Underwriter**—J. Laurence & Co., Inc., New York, N. Y.

● Mortgage Guaranty Insurance Co.
Oct. 17, 1960 filed 155,000 shares of common stock (par $1). Price—To be supplied by amendment. Business—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. Proceeds—For capital and surplus. Office—606 West Wisconsin Avenue, Milwaukee, Wis. Underwriter—Bache & Co., New York City (managing). Note—This stock is not qualified for sale in New York State.

Motor Coils Manufacturing Co.
July 27, 1961 filed 100,000 common shares. **Price**—$6.50. **Business**—The manufacture of armature, stator and field coils. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—110 Thirty-Second St., Pittsburgh. **Underwriter**—Golkin, Bomback & Co., New York.

★ Movie Star, Inc.
Aug. 9, 1961 filed 200,000 class A shares. **Price** — By amendment. **Business** — The manufacture of women's clothing. **Proceeds**—For general corporate purposes. **Office**—392 Fifth Avenue, New York. **Underwriter**—Milton D. Blauner & Co., Inc., New York (managing).

Municipal Investment Trust Fund, First Pa. Series
April 28, 1961 filed $6,375,000 (6,250 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in early September.

Municipal Investment Trust Fund, Series B
April 28, 1961 filed $12,750,000 (12,500 units) of interests. **Price** — To be supplied by amendment. **Business** — The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in early September.

★ Murray Magnetics Corp.
Aug. 15, 1961 filed 150,000 common shares. **Price**—$6. **Business**—The financing, exploitation and sale of a new line of electric kitchen and household appliances. **Proceeds**—For the purchase of inventory, sales promotion and working capital. **Office**—230 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., New York.

NAC Charge Plan and Northern Acceptance Corp. (8/21)
June 27, 1961 filed 33,334 class A common shares. **Price**—By amendment. **Proceeds**—For working capital. **Office**—16 East Pleasant St., Baltimore, Md. **Underwriter**—Sade & Co., Washington, D. C. (managing).

Natpac Inc.
July 28, 1961 filed 100,000 common shares. **Price**—$4.75. **Business**—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. **Proceeds**—For consumer time payments, expansion, and working capital. **Office** — 93-25 Rockaway Blvd., Ozone Park, N. Y. **Underwriters**—William, David & Motti, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

National Bowling Lanes, Inc.
July 21, 1961 filed 200,000 capital shares. **Price**—$5.50. **Business**—The operation of bowling centers. **Proceeds**—For expansion, repayment of loans, and working capital. **Office** — 220 S. 16th Street, Philadelphia. **Underwriter**—Edward Lewis & Co., Inc., New York.

National Cleaning Contractors, Inc.
July 19, 1961 filed 200,000 outstanding common shares. **Price** — By amendment. **Business** — The maintenance of commercial buildings. **Proceeds**—For the selling stockholders. **Office**—60 Madison Avenue, New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

National Hospital Supply Co., Inc.
June 22, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The distribtuion of medical supplies. **Proceeds**—For inventory, advertising and promotion, expansion, repayment of loans and working capital. **Office**—38 Park Row, New York. **Underwriters**—Edward Lewis & Co., Inc. and Underhill Securities Corp., New York (co-managers).

National Periodical Publications, Inc.
July 18, 1961 filed 500,000 common shares (par $1). **Price** — By amendment. **Business** — Publishers of magazines and paperback books. **Proceeds**—For the selling stockholders. **Office**—575 Lexington Avenue, New York. **Underwriters** — Shearson, Hammill & Co., New York and Prescott, Shepard & Co., Inc., Cleveland (managing).

National Semiconductor Corp.
May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds** — For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters** — Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis (managing).

New Era Mining Co.
July 5, 1961 filed 800,000 common shares. **Price**—50c. **Proceeds**—For equipment, working capital, repayment of debt and reserves. **Office**—9635 W. Colfax Ave., Denver. **Underwriter**—None.

New West Land Corp.
June 30, 1961 ("Reg. A") 200,000 common shares (par $1). **Price**—$1.50. **Proceeds**—For repayment of notes and acquisition of real estate interests. **Office**—3252 Broadway, Kansas City, Mo. **Underwriter** — Barret, Fitch, North & Co., Kansas City, Mo.

Nissen Trampoline Co.
May 4, 1961 (letter of notification) 9,400 shares of common stock (par $1). **Price**—At the market. **Proceeds**—For the selling stockholders. **Office**—930 27th Ave., S.W., Cedar Rapids, Iowa. **Underwriter** — Yates, Heitner & Woods, St. Louis, Mo. **Note**—This issue has been temporarily postponed.

● Nitrogen Oil Well Service Co. (9/5)
May 22, 1961 filed 100,000 shares of common stock. **Prices**—$10 per share for 51,000 shares to be offered to Big Three Welding Company; $10 per share for not less than 24,500 shares to be offered to holders (other than Big Three) of the outstanding common on the basis of one new share for each 1⅕ shares held; and $10.60 per any unsubscribed shares. **Business**—The company furnishes high pressure nitrogen to the oil and gas industry. **Proceeds**—For general corporate purposes, including $880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. **Office**—3602 W. 11th St., Houston, Texas. **Underwriter** — Underwood, Neuhaus & Co., Inc., Houston, Texas.

North Atlantic Life Insurance Co. of America
June 2, 1961 filed 1,386 common shares. **Price**—$350. **Business**—The company has applied for a New York State license to sell life, accident and health insurance and annuities. **Proceeds**—For general corporate purposes. **Office** — Meadow Brook National Bank Bldg., Mineola, N. Y. **Underwriter**—None.

North Electric Co.
March 30, 1961 filed 22,415 shares of common stock being offered for subscription by stockholders of record May 15 with rights to expire Aug. 25. **Price**—$25. **Business**—This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. **Proceeds**—To repay loans and for working capital. **Office**—553 South Market St., Galion, Ohio. **Underwriter**—None.

★ Nuclear Corp. of America
Aug. 11, 1961 filed 536,280 outstanding shares of capital stock, and $2,087,800 of 5½% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of $100 of debentures for each 300 shares held. **Price**—By amendment. **Business**—The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. **Proceeds**—For repayment of loans and working capital. **Office**—3540 W. Osborn Road, Phoenix. **Underwriter** — Bear, Stearns & Co., New York (managing).

NuTone, Inc.
July 17, 1961 filed 375,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of household appliances. **Proceeds**—For the selling stockholders. **Office**—Madison & Red Bank Roads, Cincinnati. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Occidental Petroleum Corp.
June 29, 1961 filed $3,962,500 of subordinated convertible debentures due 1976 to be offered for subscription by common stockholders on the basis of $100 principal amount of debentures for each 100 shares held. **Price**—At par. **Business**—The acquiring and developing of oil and gas properties. **Proceeds**—For exploration and development of oil leases and working capital. **Office**—8255 Beverly Blvd., Los Angeles. **Underwriter**—None.

Old Empire, Inc. (8/30)
May 1, 1961 filed $800,000 of convertible subordinated debentures due 1971. **Price** — At par. **Business** — The manufacture, packaging and distribution of cosmetics,

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pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, New York City.

• Olson Co. of Sarasota, Inc.
April 26, 1961 ("Reg. A") 59,000 common shares (par $1). **Price**—$5. **Business**—The manufacture of marine supplies and electronic equipment. **Proceeds**—To repay loans, purchase raw materials and increase working capital. **Address**—P. O. Box 2430, Sarasota, Fla. **Underwriter**—Jay Morton & Co., Inc., Sarasota (managing).

Ore-Ida Foods, Inc.
June 29, 1961 filed 220,000 common shares of which 200,000 will be sold by the company and 20,000 by stockholders. **Price**—By amendment. **Business**—The processing of raw potatoes into various packaged frozen products. **Proceeds**—For the repayment of debt, purchase of equipment, plant expansion and working capital. **Office** — Ontario, Ore. **Underwriter** — Kidder, Peabody & Co., New York (managing).

Orkin Exterminating Co., Inc.
July 6, 1961 filed 360,000 outstanding no par common shares. **Price**—By amendment. **Business**—Pest and termite control services. **Proceeds**—For selling stockholders. **Office**—713 W. Peachtree St., N. E., Atlanta. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York and Courts & Co., Atlanta. **Offering**—Expected in late August.

Ormont Drug & Chemical Co., Inc.
May 2, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—Manufacturers of drugs. **Proceeds**—For expansion, and working capital. **Office**—38-01 23rd Ave., Long Island City, N. Y. **Underwriter**—Havener Securities Corp., New York, N. Y. **Offering**—Imminent.

Osrow Products Co., Inc.
July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). **Price**—$5. **Business**—The manufacture of car and window washing equipment. **Proceeds**—For working capital, research and development, new products and general corporate purposes. **Office**—115 Hazel Street, Glen Cove, L. I., N. Y. **Underwriter**—General Securities Co., Inc., New York.

Pacific States Steel Corp.
June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. **Price**—$6. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (managing).

Palestine Economic Corp.
Aug. 7, 1961 filed 120,000 common shares. **Price**—$25 payable in cash or in certain State of Israel bonds. **Business**—The company plans to engage in banking, agriculture, industry, etc. in Israel. **Proceeds**—For investment. **Office** — 18 E. 41st Street, New York. **Underwriter** — None.

Palmetto Pulp & Paper Corp.
June 28, 1961 filed 1,000,000 common shares. **Price**—$3.45. **Business**—The growth of timber. **Proceeds**—For working capital and the possible purchase of a mill. **Address**—P. O. Box 199, Orangeburg, S. C. **Underwriter**—Stone & Co.

Pan-Alaska Fisheries, Inc.
July 26, 1961 filed 120,000 common shares. **Price** — By amendment. **Business** — The processing of Alaska king crab. **Proceeds**—For acquisition of fishing boats, equipment and working capital. **Office**—Dexter Horton Bldg., Seattle. **Underwriter**—Robert L. Ferman & Co., Inc., New York (managing).

Pargas, Inc.
Aug. 3, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business** — The sale of liquified petroleum gas and equipment. **Proceeds**—For general corporate purposes. **Office**—Waldorf, Md. **Underwriter** — Kidder, Peabody & Co., Inc., New York (managing).

Parish (Amos) & Co., Inc. (9/18)
June 23, 1961 filed 208,000 outstanding common shares **Price**—By amendment. **Business**—Business advisors and consultants to specialty and department stores. **Proceeds**—For the selling stockholders. **Office**—500 Fifth Avenue, New York. **Underwriter**—The James Co., New York

• Patent Resources, Inc. (8/21)
May 24, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. **Proceeds**—For general corporate purposes. **Office** — 608 Fifth Ave., New York City. **Underwriters**—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

★ Pellegrino Aggregate Technico, Inc.
Aug. 10, 1961 filed 130,000 class A common shares. **Price**—$5. **Business**—The manufacture of building materials. **Proceeds**—For payment of income taxes and loans and for working capital. **Office**—Woodbridge-Carteret Road, Port Reading, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York.

• Photo-Animation, Inc. (9/13)
July 26, 1961 filed 150,000 common shares. **Price**—$1.25. **Business**—The manufacture of machines, equipment and devices used in the creation of animated motion pictures. **Proceeds**—For development of new products, repayment of loans and working capital. **Office** — 34 S. West St., Mount Vernon, N. Y. **Underwriter**—First Philadelphia Corp., New York.

Photographic Assistance Corp.
June 27, 1961 filed 150,000 common shares. **Price**—$1. **Proceeds**—For expansion, equipment and working capital. **Office**—1335 Gordon St., S. W., Atlanta, Ga. **Underwriters**—Globus, Inc., and Harold C. Shore & Co., Inc. New York (managing).

Pickwick International, Inc.
July 27, 1961 filed 100,000 common shares. **Price** — $3. **Business**—The distribution of phonograph records. **Proceeds**—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. **Office** — 8-16 43rd Ave., Long Island City, N. Y. **Underwriter**—William, David & Motti, Inc., New York.

Pickwick Recreation Center, Inc.
April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—To pay for construction, working capital and, general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif. **Offering**—Expected in September.

Pioneer Astro Industries, Inc.
July 27, 1961 filed 150,000 common shares. **Price** — By amendment. **Business** — The manufacture of precision machined components and assemblies for missile guidance systems. **Proceeds** — For a new plant, additional equipment and working capital. **Office**—7401 W. Lawrence Ave., Chicago. **Underwriter**—Francis I. du Pont & Co., New York (managing).

• Plasticon Corp. (9/7)
May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's $1,200,000 of 5% promissory notes. **Price** — $3 per share, in all cases. **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office** — Minneapolis, Minn. **Underwriter**—None.

★ Playskool Manufacturing Co.
Aug. 11, 1961 filed 135,000 common shares, of which 60,000 shares are to be offered by the company and 75,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of toys. **Proceeds**—For repayment of loans. **Office**—3720 North Kedzie Avenue, Chicago. **Underwriter**—Lehman Brothers, New York.

Polytronic Research, Inc. (8/28)
June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. **Price**—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. (managing).

★ Pomeroy Smith-Ewing & Hubgiville, 62 Ltd.
Aug. 10, 1961 filed $1,000,000 of limited partnership interests to be offered in minimum units of $10.000. **Business**—The development of oil and gas leaseholds. **Proceeds** — For general corporate purposes. **Office** — 1210 Petroleum Life Building, Midland, Texas. **Underwriter**—None.

Precision Circuits, Inc.
July 20, 1961 ("Reg. A") 260,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For a new building, equipment and working capital. **Office**—2532-25th Ave., S., Minneapolis. **Underwriter**—Naftalin & Co., Inc., Minneapolis.

Premier Albums, Inc.
July 31, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The manufacture of long-playing stereophonic and monaural phonograph records. **Proceeds**—For acquisition of facilities, marketing of new stereophonic records and working capital. **Office**—356 W. 40th St., New York. **Underwriter**—Gianis & Co., New York.

Prep Products, Inc.
July 6, 1961 ("Reg. A") 1,400 common shares. **Price**—At par ($100). **Proceeds**—For royalty payments on leases, repayment of debt and working capital. **Address**—Highway 20, Thermopolis, Wyo. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

President Airlines, Inc.
June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). **Price**—$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office** — 630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

Prevor-Mayrsohn International, Inc.
July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price**—$3.75. **Business**—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. **Proceeds**—For expansion, sales promotion, advances to growers, working capital and general corporate purposes. **Office** — 99 Hudson Street, New York. **Underwriter**—J. J. Krieger & Co., Inc., New York.

• Product Research of Rhode Island, Inc.
July 28, 1961 filed 330,000 common shares. **Price**—$2.05. **Business** — The manufacture of vinyl plastic products used in the automotive, marine and household fields. **Proceeds**—For repayment of debt, new equipment and working capital. **Office** — 184 Woonasquatucket Avenue, Nort Providence, R. I. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

Progress Industries, Inc.
June 26, 1961 filed 75,000 common shares (with warrants) of which 55,000 shares will be sold by the company and 20,000 by stockholders. **Price**—$10. **Proceeds**—For the payment of debt, the establishment of a new subsidiary, plant improvements and working capital. **Office**—400 E. Progress St., Arthur, Ill. **Underwriter**—Tabor & Co., Decatur, Ill. (managing).

• Progressitron Corp. (8/21-25)
June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—Manufacturers of electronic, electro mechanical and mechanical devices. **Proceeds**—For general corporate purposes. **Office**—14-25 128th St., College Point, N. Y. **Underwriter**—Netherlands Securities Co., New York.

Publishers Vending Services, Inc.
July 3, 1961 filed $600,000 of 5½% convertible subordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at $7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at $10 per share. The securities are to be offered for public sale in units of one $100 debenture, 20 first warrants and 20 second warrants. **Price**—$100 per unit. **Business**—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. **Proceeds**—For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. **Office**—1201 South Clover Drive, Minneapolis. **Underwriter**—D. H. Blair & Co., New York.

Puerto Rico Telephone Co.
Aug. 9, 1961 filed 120,000 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. **Price**—By amendment. **Proceeds**—For expansion and repayment of loans. **Office**—261 Tanca St., San Juan, Puerto Rico. **Underwriter**—None.

Rabin-Winters Corp.
June 19, 1961 filed 180,000 common shares of which 80,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufactuer of pharmaceuticals, cosmetics, lighter fluid and related items. **Proceeds**—To repay loans and for working capital. **Office**—700 N. Sepulveda Boulevard, El Segundo, Calif. **Underwriter**—H. Hentz & Co., New York.

★ Raymond Engineering Laboratory, Inc.
Aug. 15, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. **Proceeds**—For repayment of loans, equipment, and working capital. **Office**—Smith Street, Middletown, Conn. **Underwriter** — Lee Higginson Corp., New York (managing).

Real Properties Corp. of America
July 25, 1961 filed 365,000 class A shares. **Price**—$10. **Business**—A real estate investment company. **Office**—1451 Broadway, New York. **Underwriter**—Stanley Heller & Co., New York City (managing).

★ Recreation Associates, Inc.
Aug. 14, 1961 filed 100,000 class A common shares. **Price**—$3. **Business**—The operation of a bowling center. **Proceeds** — For working capital. **Office** — 8105 Columbia Pike, Falls Church, Va. **Underwriter**—None.

Red Wing Fiberglass Products, Inc.
July 23, 1961 ("Reg. A") 260,000 common shares (par 25 cents). **Price**—$1.15. **Proceeds**—For repayment of debt, building improvements, equipment, research and development, and working capital. **Office**—Industrial Park, Red Wing, Minn. **Underwriter**—York & Mavroulis, Minneapolis.

Redman Manufacturing & Engineering Co.
Aug. 9, 1961 filed 70,000 common shares, of which 35,000 shares are to be offered by the company and 35,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of moulds used by the plastic and container and packaging industry. **Proceeds**—For repayment of loans, equipment, working capital and a new plant. **Office**—1630 Oakland, Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City, Mo. (managing).

• Reeves Broadcasting & Development Corp. (8/28)
June 16, 1961 filed $2,500,000 of convertible debentures. **Price**—At par. **Business**—The operation of TV stations and recording studios and the development of real estate properties in North Carolina. **Proceeds**—For expansion, the repayment of loans, for working capital and other corporate purposes. **Office**—304 E. 44th St., New York. **Underwriter**—Laird & Co., Corp., Wilmington, Del. (managing).

★ Regal Homes, Inc.
Aug. 15, 1961 filed 51,000 capital shares. **Price**—$12. **Business**—For construction and sale of "shell" homes and mortgage financing. **Proceeds**—For working capital. **Address**—Hopkinsville, Ky. **Underwriter**—J. J. B. Hilliard & Sons, Louisville.

• Reher Simmons Research Inc.
May 8, 1961 filed 150,000 shares of capital stock. **Price**—$6 per share. **Business**—The research and development of processes in the field of surface and biochemistry. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co., (managing).

Republic Aviation Corp. (8/29)
July 11, 1961 filed 214,500 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of airplanes and ground support equipment. **Proceeds**—For the selling stockholder. **Address** — Farmingdale, L. I., N. Y. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

Rexach Construction Co., Inc.
July 28, 1961 filed $1,500,000 of 6½% sinking fund debentures (with warrants) due 1976 and 105,000 outstanding common shares. **Price**—By amendment. **Business**—The construction of highways, buildings and homes. **Proceeds**—For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. **Address**—San Juan, Puerto Rico. **Underwriters** — P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (managing).

Riverview ASC, Inc. (8/21)
May 18, 1961 ("Reg. A") 100,000 common shares. **Price**—$3. **Business**—Real estate and utility development in Florida. **Proceeds** — For expansion. **Office** — 2823 So. Washington Ave., Titusville, Fla. **Underwriter**—Albion Securities Co., Inc., New York.

Ro Ko, Inc.
Aug. 7, 1961 filed 120,000 class A common shares. **Price**—$5. **Business**—The manufacture of stuffed toys. **Proceeds**—For down payments on the purchase of buildings, equipment and expansion. **Office**—3115 E. 12th St., Kansas City, Mo. **Underwriters**—Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (managing).

Roanwell Corp.
July 11, 1961 filed 150,000 shares of common stock of which 50,000 will be sold by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—The manufacture of electro-acoustical transducers in the voice communications field. **Proceeds** — For additional equipment, working capital and other corporate purposes. **Office**—180 Varick St., New York. **Underwriter**—Paine, Webber, Jackson & Curtis, New York. **Offering**—Expected in early September.

Roberts Lumber Co.
June 28, 1961 filed 55,000 common shares of which 20,000 shares are to be offered by the company and 35,000 shares by a selling stockholder. **Price**—By amendment **Business**—The sale of building materials. **Proceeds**—For repayment of a loan and working capital. **Office**—2715 Market Street, Wheeling, W. Va. **Underwriter**—Arthurs, Lestrange & Co., Pittsburgh, Pa. (managing).

Robins Industries Corp.
July 27, 1961 filed 100,000 common shares. **Price**—$2.50. **Business**—The manufacture of products in the electronic sound and recording field. **Proceeds**—For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. **Office** — 36-27 Prince St., Flushing, N. Y. **Underwriter**—Carroll Co., New York.

Rocky Mountain Natural Gas Co., Inc. (9/12)
July 10, 1961 filed $1,500,000 of sinking fund debentures due 1981 (with attached warrants) and 150,000 common shares to be offered in 75,000 units, each consisting of $20 of debentures (with an attached warrant) and two common shares. **Price**—By amendment. **Proceeds**—For construction and general corporate purposes. **Office**—1726 Champa St., Denver. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York (managing).

Roddy Recreation Products, Inc.
July 31, 1961 ("Reg. A") 100,000 common shares (par $1). **Price**—$3. **Proceeds**—For repayment of debt. **Office**—1526 W. 166th St., Gardena, Calif. **Underwriter**—Harbison & Henderson, Los Angeles.

Rodney Metals, Inc. (9/7)
June 30, 1961 filed 140,000 common shares. **Price**—$10. **Proceeds** — For the repayment of debt and other corporate purposes. **Office**—261 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., New York (managing).

Ross Products, Inc.
July 14, 1961 filed 200,000 common shares, of which 100,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—By amendment. **Business**—The importing and distributing of general merchandise. **Proceeds**—For repayment of debt, expansion and general corporate purposes. **Office**—1107 Broadway, New York. **Underwriters**—Blair & Co. and F. L. Rossman & Co., New York.

Royal Land & Development Corp.
Aug. 2, 1961 filed 2,000,000 class A common shares. **Price**—$1. **Business** — General real estate and construction. **Proceeds**—For construction and general corporate purposes. **Office**—400 Stanley Ave., Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., New York (managing).

Royal School Laboratories, Inc.
June 23, 1961 filed 170,000 common shares. **Price**—$5. **Business**—The manufacture of special purpose laboratory furniture for schools. **Proceeds** — For expansion, general corporate purposes and working capital. **Office**—Meadow & Clay Sts., Richmond, Va. **Underwriter**—B. N. Rubin & Co., Inc., New York.

Rudd-Melikian, Inc.
June 16, 1961 filed 130,000 common shares. **Price**—$10. **Business**—The manufacture of automatic coffee dispensers and similar items. **Proceeds**—For repayment of loans, promotion and manufacture of a new product, working capital and general corporate purposes. **Office** — 300 Jacksonville Road, Hatboro, Pa. **Underwriter**—Stearns & Co., New York.

S. O. S. Photo-Cine-Optics, Inc. (9/4)
June 29, 1961 filed $50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of $10 of debentures and 10 common shares. **Price**—$40 per unit. **Business**—The manufacturing, renting and distributing of motion picture and television production equipment. **Proceeds**—For new equipment, advertising, research and development, working capital and other corporate purposes. **Office**—602 W. 52nd St., New York. **Underwriter** — William, David & Motti, Inc., New York.

Salro Manufacturing Corp.
Aug. 2, 1961 ("Reg. A") 72,000 common shares (par 10 cents). **Price**—$3.50. **Business**—Manufacture of metal purses and handbag frames. **Proceeds**—For purchase of machinery and equipment, working capital and general corporate purposes. **Office**—413 Thatford Ave., Brooklyn, N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, New York.

Sav-Mor Oil Corp. (8/21-25)
July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). **Price**—$2.50. **Business**—Wholesale distribution of gasoline and oil to service stations. **Proceeds**—For expansion. **Office**—151 Birchwood Park Dr., Jericho, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York.

Save-Tax Club, Inc.
July 6, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$2. **Business**—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. **Proceeds**—For salaries to salesmen, advertising, public relations, additional employees, and working capital. **Office**—135 W. 52nd St., New York. **Underwriter**—B. G. Harris & Co., Inc., New York.

Scot's Discount Enterprises, Inc.
July 21, 1961 filed 175,000 common shares. **Price**—$2.25. **Business**—The retail sale of merchandise at a low markup. **Proceeds**—For new stores, inventory, and working capital. **Address**—East Windsor, Conn. **Underwriter**—Willis E. Burnside & Co., Inc., New York.

Second Financial, Inc. (8/28-9/1)
June 20, 1961 filed 100,000 common shares. **Price**—$3. **Business** — The purchase of notes, mortgages, contracts, etc., from Shell Home Builders. **Proceeds**—For investment. **Office**—2740 Apple Valley Road, N. E., Atlanta, Ga. **Underwriter**—Globus, Inc., New York.

Security Acceptance Corp. (8/30)
March 7, 1961 filed 100,000 shares of class A common stock and $400,000 of 7½% 10-year debenture bonds, to be offered in units consisting of $100 of debentures and 25 shares of stock. **Price**—$200 per unit. **Business**—The purchase of conditional sales contracts on home appliances. **Proceeds** — For working capital and expansion. **Office**—724 9th St., N. W., Washington, D. C. **Underwriter**—None.

Semicon, Inc.
June 30, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The manufacture of semiconductor devices for military, industrial and commercial use. **Proceeds**—For equipment, plant expansion and new products. **Address**—Sweetwater Avenue, Bedford, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing). **Offering**—In early September.

Shasta Minerals & Chemical Co. (10/2)
April 24, 1961 filed 500,000 shares of common stock. **Price**—$2.50 per share. **Business**—Acquisition, development, and exploration of mining properties. **Proceeds**—For general corporate purposes. **Office** — 1406 Walker Bank Bldg., Salt Lake City, Utah. **Underwriter**—None.

● **Shelley Urethane Industries, Inc.**
May 24, 1961 filed 200,000 shares of common stock. **Price** To be supplied by amendment. **Business**—The manufacture, converting and distribution of urethane foam products to industry. **Proceeds** — For expansion, new equipment, repayment of debt, and working capital. **Office**—4542 East Dunham St., City of Commerce, Calif. **Underwriter** — Garat & Polonitza, Inc., Los Angeles (managing). **Note**—This company plans to change its name to Urethane Industries International Inc. **Offering**—Expected in October.

● **Shepard Airtronics, Inc.**
April 26, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price** — $4 per share. **Business**—The manufacture of high altitude breathing and ventilation equipment. **Proceeds**—For repayment of loans; new equipment, research and development, plant improvement, purchase of inventory, advertising and working capital. **Office** — 787 Bruckner Boulevard, Bronx, N. Y. **Underwriters**—L. C. Wegard & Co., 28 West State St., Trenton, N. J. (managing); L. J. Termo & Co., Inc., New York and Copley & Co., Colorado Springs, Colo. **Offering**—Imminent.

Shulton, Inc.
July 21, 1961 filed 50,000 class A and 50,000 class B common shares. **Price**—By amendment. **Business**—The manufacture of toiletries and household chemical products. **Proceeds**—For general corporate purposes. **Address**—697 Route 46, Clifton, N. J. **Underwriter**—Smith, Barney & Co., New York (managing).

Siegel (Henry I.) Co., Inc.
July 27, 1961 filed 270,000 class A shares (par $1), of which 135,000 shares are to be offered by the company and 135,000 shares by stockholders. **Price**—By amendment. **Business** — The manufacture of men's and boys' sportswear. **Proceeds** — For repayment of loans, equipment, working capital and other corporate purposes. **Office**—230 Fifth Ave., New York. **Underwriter**—Shearson, Hammill & Co., New York (managing).

● **Sjostrom Automations, Inc. (8/23)**
June 28, 1961 filed 70,000 class A common shares. **Price**—$4. **Business** — The design, manufacture and sale of electronically controlled automation devices. **Proceeds**—For the repayment of debt, purchase of additional equipment and inventory, and working capital. **Office**—140 N. W. 16th St., Boca Raton, Fla. **Underwriter**—J. I. Magaril Co., Inc., New York.

Southern Belle Electrical Industries, Inc.
July 25, 1961 ("Reg. A") 50,000 common shares (par 10 cents). **Price**—$4. **Proceeds**—For repayment of loans, purchase of machinery and inventory, building construction and working capital. **Office** — 4793 E. 10th Court, Hialeah, Fla. **Underwriters** — Aetna Securities Corp., New York; Roman & Johnson, Fort Lauderdale, Fla. and Guardian Securities Corp., Miami, Fla.

Southern Diversified Industries, Inc.
Aug. 8, 1961 filed 250,000 common shares. **Price**—$5.50. **Business** — The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. **Proceeds**—For repayment of debt, purchase of merchandise and operating expenses. **Office** — 3690 Northwest 62nd St., Miami, Fla. **Underwriter** — Netherlands Securities Co., Inc., New York.

Southern Growth Industries, Inc.
June 28, 1961 filed 100,000 common shares. **Price**—$6. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Poinsett Hotel Building, Greenville, S. C. **Underwriter**—Capital Securities Corp., Greenville, S. C.

Southern Realty & Utilities Corp. (8/30)
May 26, 1961 filed $3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of $500 of debentures and warrants for five common shares. **Price**—At 100% of principal amount. **Business**—The development of unimproved land in Florida. **Proceeds**—For the repayment of debt, the development of property, working capital and other corporate purposes. **Office**—1674 Meridian Avenue, Miami Beach, Fla. **Underwriters**—Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

Southwestern Growth Fund, Inc.
July 21, 1961 filed 200,000 common shares. **Price**—At net asset value plus 8½% sales commission. **Business** — A mutual fund. **Proceeds**—For investment. **Office**—402 University Towers, El Paso, Texas. **Underwriter**—None.

Spectron, Inc.
June 9, 1961 filed 83,750 class A common shares (par 10 cents). **Price**—$4.50. **Business**—The design, development and manufacture of electronic systems, instruments and equipment, including microwave, radar and underwater communication devices. **Proceeds** — For purchase of equipment, plant expansion, patent development and general corporate purposes. **Office**—812 Ainsley Bldg., Miami, Fla. **Underwriter**—Hampstead Investing Corp., New York (managing). **Offering**—Expected in late Aug.

● **Spencer Laboratories, Inc. (8/21)**
May 1, 1961 (letter of notification) 1,624 shares of class A common stock (no par) to be offered for subscription by stockholders on the basis of four shares for each five shares held, with the unsubscribed shares to be sold to the public. **Price**—To stockholders, $100 per share; to the public, $110 per share. **Business**—Manufacturers of Pharmaceuticals. **Proceeds** — For testing new products, inventories; marketing and general corporate purposes. **Office**—10 Pine St., Morristown, N. J. **Underwriter**—E. T. Andrews & Co., Hartford, Conn.

Star Homes, Inc.
June 28, 1961 filed $500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of $50 of debentures and 20 common shares. **Price**—$100 per unit. **Business**—The construction and sale of shell homes. **Proceeds**—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. **Office**—336 S. Salisbury Street, Raleigh, N. C. **Underwriter**—D. E. Liederman & Co., Inc., New York (managing).

Sterling Electronics, Inc.
July 24, 1961 filed 125,200 common shares, of which 82,000 shares are to be offered by the company and 43,200 shares by stockholders. **Business**—The distribution of electronic parts and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—1616 McKinley, Houston, Texas. **Underwriter**—S. D. Fuller & Co., New York (managing).

Sterling Seal Co.
Aug. 2, 1961 filed 112,300 common shares of which 20,000 shares are to be offered by the company and 92,300 shares by the stockholders. **Price**—By amendment. **Business**—The design, lithographing and stamping of metal caps or closures for containers. **Proceeds**—For working capital. **Office**—316 W. 16th St., Erie, Pa. **Underwriters**—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., New York (managing).

Stratton Corp.
March 3, 1961 filed $650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981. **Price**—At 100% of principal amount. **Business**—The development and operation of a winter and summer recreational resort on Stratton Mountain in southern Vermont. **Proceeds**—For construction. **Office**—South Londonderry, Vt. **Underwriter**—Cooley & Co., Hartford, Conn.

Strouse, Inc.
June 27, 1961 filed $600,000 of 6% convertible subordinated debentures due 1981. **Price**—At par. **Proceeds**—For plant expansion, working capital and other corporate purposes. **Office** — Basin and Cherry Sts., Norristown, Pa. **Underwriter**—H. A. Riecke & Co., Philadelphia (managing).

Sun Valley Associates
March 30, 1961 (letter of notification) $205,000 of limited partnership interests to be offered in units of $5,000, or fractional units of not less than $2,500. **Proceeds**—For

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working capital. **Address** — Harlingen, Texas. **Underwriter**—Nat Berger Associates, Inc., New York City.

Supronics Corp. (8/28-9/1)
May 29, 1961 filed 90,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company is engaged in the distribution of wholesale electrical equipment and supplies. **Proceeds** — For the repayment of bank loans and other corporate purposes. **Office**—224 Washington St., Perth Amboy, N. J. **Underwriters**—Amos Treat & Co., Inc., and Standard Securities Corp., both of New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Swanee Paper Corp.
June 29, 1961 filed 150,000 common shares, of which 35,000 shares are to be offered by the company and 115,000 shares by the stockholders. **Price**—By amendment. **Business**—The production of tissue paper products. **Proceeds**—For general corporate purposes. **Office**—205 E. 42nd St., New York. **Underwriter**—Blair & Co., Inc., New York (managing). **Offering**—Expected in late Aug.

Swingline Inc.
June 14, 1961 filed 200,000 outstanding class A common shares. **Price**—By amendment. **Business**—The manufacture of stapling machines. **Proceeds** — For the selling stockholders. **Office**—32-00 Skillman Ave., Long Island City, New York. **Underwriter**—Paine, Webber, Jackson & Curtis, New York (managing). **Offering**—Expected in late September.

T. F. H. Publications, Inc.
June 22, 1961 ("Reg. A") 60,000 common shares (par 10 cents). **Price**—$5. **Business**—The publishing of books, pamphlets and magazines. **Proceeds**—For repayment of loans, production of new garden books, installation of air-conditioning and working capital. **Office**—245-247 Cornelison Ave., Jersey City, N. J. **Underwriter**—Arnold Malkan & Co., Inc., New York.

● **T-Bowl International, Inc.**
June 15, 1961 filed 400,000 common shares, of which 325,000 shares are to be offered by the company and 75,000 shares by stockholders. **Price**—By amendment. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—27 B Boulevard, East Paterson, N. J. **Underwriter**—Peter Morgan & Co., New York.

● **T. V. Development Corp. (9/1)**
May 26, 1961 filed 100,000 shares of common stock. **Price**—$5 per share. **Business**—The manufacture and sale of replacement knobs for television sets. **Proceeds**—For the repayment of debt, the expansion of product lines and working capital. **Office**—469 Jericho Turnpike, Mineola, N. Y. **Underwriters** — Kesselman & Co., and Brand, Grumet & Seigel, Inc., New York (managing).

● **Taddeo Bowling & Leasing Corp. (8/21)**
March 31, 1961 filed $600,000 of 8% convertible subordinated debentures due 1971, 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of $240 of debentures, 50 common shares and 20 warrants. **Price** — $640 per unit. **Business** — The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Road, Rochester, N. Y. **Underwriter**—Lomasney, Loving & Co., New York City (managing).

Taft Broadcasting Co.
May 26, 1961 filed 376,369 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of TV and radio broadcasting stations. **Proceeds**—For the selling stockholders. **Office**—1906 Highland Avenue, Cincinnati, Ohio. **Underwriter**—Harriman Ripley & Co., Inc., New York City (managing.) **Offering**—Temporarily postponed.

● **Tassette, Inc. (8/21)**
Feb. 15, 1961 filed 200,000 shares of class A stock. **Price**—$12 per share. **Business**—The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. **Proceeds**—For advertising and promotion, market development, medical research and administrative expenses. **Office**—170 Atlantic St., Stamford, Conn.. **Underwriter**—Amos Treat & Co., Inc., New York City (managing); Bruno-Lenchner, Inc., Pittsburgh; and Karen Securities Corp., New York City.

Tastee Freez Industries, Inc.
July 12, 1961 filed 350,000 common shares, of which 200,000 shares are to be offered by the company and 150,000 shares by a stockholder. **Price**—By amendment. **Business**—The franchising and supplying of stores with a soft ice cream product and selected food items. **Proceeds**—For acquisition of properties and working capital. **Office**—2518 W. Montrose Ave., Chicago. **Underwriter**—Bear Stearns & Co., New York (managing).

Tax-Exempt Public Bond Trust Fund, Series 2
Feb. 23, 1961 filed $10,000,000 (100,000 units) ownership certificates. **Price**—To be filed by amendment. **Business**—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds** — For investment. **Office** — 135 South La Salle Street, Chicago. **Sponsor**—John Nuveen & Co., Chicago.

Taylor-Country Estate Associates
June 12, 1961 filed $2,420,000 of limited partnership interests. **Price**—$10,000 per unit. **Business**—The partnership will acquire all the outstanding stock of five apartment houses in Newark, East Orange and Jersey City, N. J. **Proceeds**—For general corporate purposes. **Office**—420 Lexington Ave., New York City. **Underwriter**—Nat Berger Associates, Inc., New York.

★ **Technifoam Corp.**
Aug. 14, 1961 filed 110,000 common shares. **Price**—$8. **Business**—The manufacture of machinery for producing polyurethane foam. **Proceeds**—For repayment of loans, equipment, foreign investments and working capital. **Office** — 717 Fifth Avenue, New York. **Underwriter** — Sterns & Co., New York (managing)

Techno-Vending Corp. (8/18)
June 9, 1961 ("Reg. A")100,000 class A common shares (par one cent). **Price**—$3. **Business**—The manufacture of coin-operated vending machines. **Proceeds**—For repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. **Office**—599 Tenth Avenue, New York. **Underwriter**—International Services Corp., Paterson, N. J.

Telecredit, Inc.
July 24, 1961 filed 155,000 common shares. **Price**—$1. **Business**—The development of high-speed electronic data processing systems. **Proceeds**—For organizational expenses, establishment of service centers and reserves. **Office**—100 W. 10th Street, Wilmington, Del. **Underwriter**—Globus, Inc., New York (managing).

● **Telephones, Inc. (9/11-15)**
July 26, 1961 filed 250,000 common shares, of which 200,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—A holding company with eight telephone subsidiaries. **Office**—135 So. La Salle St., Chicago. **Underwriters**—Hayden, Stone & Co., New York and McCormick & Co., Chicago.

● **TelePrompTer Corp. (9/5)**
July 6, 1961 filed $5,000,000 of convertible subordinated debentures due 1976. **Price**—By amendment. **Business**—The manufacture of communication systems and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—50 W. 44th St., New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

★ **Televiso Corp.**
Aug. 8, 1961 filed 97,400 common shares, of which 60,000 shares are to be offered by the company and 37,400 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic and electro-mechanical apparatus used as ground to air aids to aircraft navigation. **Proceeds**—For repayment of loans, purchase of a plant and working capital. **Office** — Wheeling & Exchange Roads, Wheeling, Ill. **Underwriter**—Kalman & Co., St. Paul (managing).

Templet Industries Inc.
June 2, 1961 ("Reg. A") 100,000 common shares (par 25 cents). **Price**—$3. **Business**—Licenses patents to diemakers and metal parts manufacturers. **Proceeds**—For working capital and general corporate purposes. **Office**—701 Atkins Ave., Brooklyn 8, N. Y. **Underwriter**—Levien, Greenwald & Co., New York.

Templeton Damroth Corp.
March 30, 1961 filed $445,000 of 5½% convertible debentures, due 1969. **Price** — 100% of the principal amount. **Business** — The management and distribution of shares of four investment companies, and also private investment counselling. **Proceeds**—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. **Office**—630 Third Avenue, New York City. **Underwriter**—Hecker & Co., Philadelphia, Pa. **Offering**—Expected in late Aug.

Tennessee Investors, Inc.
May 16, 1961 filed 500,000 shares of common stock to be publicly offered, and 4,206 common shares to be offered to holders of the outstanding common on the basis of one new share for each nine shares held. **Prices**—$12.50 per share for the public offering and $11.40 per share for the rights offering. **Business**—A small business investment company. **Proceeds** — To finance the company's activities of providing equity capital and long term loans to small business concerns. **Office**—Life and Casualty Tower, Nashville, Tenn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Terry Industries, Inc.
Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business** — The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter** — (For the company's shares only) Greenfield & Co., Inc., New York City.

● **Texas Capital Corp. (9/5-8)**
June 16, 1961 filed 1,000,000 common shares. **Price**—By amendment. **Business** — A small business investment company. **Proceeds** — For investment. **Office** — 104 E. Eighth St., Georgetown, Tex. **Underwriter** — Dempsey-Tegeler & Co., Inc., St. Louis.

Textilfoam, Inc.
June 23, 1961 filed 130,000 common shares of which 100,000 shares are to be offered by the company and 30,000 shares by the stockholders. **Price**—By amendment. **Business** — The lamination of a synthetic foam to fabrics. **Proceeds**—For expansion, working capital and general corporate purposes. **Office**—200 Fair St., Palisades Park, N. J. **Underwriters**—Flomenhaft, Seidler & Co., Inc., and Street & Co., Inc., New York (managing).

Theil Publication, Inc.
July 25, 1961 filed 110,000 common shares. **Price**—$3. **Business**—The writing and producing of technical material for industry and Department of Defense. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1200 Hempstead Turnpike, Franklin Sq., L. I., N. Y. **Underwriter**—None.

Thermionix Industries Corp.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$2. **Business**—The manufacture of a flexible heating tape. **Proceeds**—For construction of a machine, research and development, sales engineering and working capital. **Office** — 500 Edgewood Avenue, Trenton, N. J. **Underwriter**—D. L. Capas Co., New York.

Thermo-Chem Corp.
June 14, 1961 filed 130,000 common shares. **Price**—$4.50. **Business**—The manufacture of coatings for fabrics. **Proceeds**—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. **Office** — Noeland Ave., Penndel, Pa. **Underwriter**—Best & Garey Co., Inc.. Washington, D. C.

Thermotronics Corp., Inc.
July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—Research and development of electronic and electrical devices, principally an electronic water heater. **Proceeds**—For raw materials, plant and equipment, advertising research and development and working capital. **Office**—27 Jericho Turnpike, Mineola, L. I., N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York.

30 North La Salle Street Realty Fund
July 3, 1961 filed 200,000 shares of beneficial interests. **Price**—$5. **Business**—A real estate investment company. **Proceeds**—For investment. **Office**—30 N. LaSalle St., Chicago. **Underwriter**—None.

Thomas Jefferson Insurance Co.
July 27, 1961 ("Reg. A") 63,750 common shares (par $1). **Price**—$4.70. **Proceeds**—To increase capital and surplus. **Office**—457 Starks Bldg., Louisville. **Underwriter**—Stein Bros. & Boyce, Louisville.

● **Thoroughbred Enterprises, Inc. (8/28-9/1)**
June 2, 1961 filed 85,000 common shares. **Price**—$4. **Business** — The breeding of thoroughbred race horses. **Proceeds**—To purchase land, build a stable, and buy additional horses. **Office**—8000 Biscayne Blvd., Miami, Fla. **Underwriter**—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thriftway Foods, Inc.
July 13, 1961 filed 140,000 common shares, of which 66,915 shares are to be offered by the company and 73,085 shares by stockholders. **Price**—By amendment. **Business**—The wholesale distribution of food products to retail stores. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—Church & Henderson Rds., King of Prussia, Pa. **Underwriter**—Kidder, Peabody & Co., New York (managing).

Thurow Electronics, Inc.
July 20, 1961 ("Reg. A") 41,500 class A common shares (par $2.50) and 83,000 class B common shares (par $1) to be offered in units consisting of one class A and two class B common shares. **Price**—By amendment. **Proceeds**—For repayment of loans and inventory. **Office** — 121 S. Water St., Tampa. **Underwriter** — Miller Securities Corp., Atlanta, Ga.

Tinsley Laboratories, Inc.
June 29, 1961 ("Reg. A") 100,000 capital shares (par 16⅔ cents). **Price**—$3. **Proceeds**—For repayment of loans, purchase of equipment and working capital. **Office**—2448 Sixth St., Berkeley, Calif. **Underwriter**—Troster, Singer & Co., New York.

Tor Education, Inc.
July 28, 1961 filed 100,000 capital shares. **Price** — By amendment. **Business**—The production of self instructional courses and devices. **Proceeds**—For purchase of equipment, new products and other corporate purposes. **Office**—65 Prospect St., Stamford, Conn. **Underwriter**—F. L. Rossman & Co., New York (managing).

Transcontinental Investment Co.
March 15, 1961 (letter of notification) 120,000 shares of common stock (par $1). **Price**—$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

Trans-World Financial Co.
June 26, 1961 filed 185,000 common shares of which 75,000 shares are to be offered by the company and 110,000 shares by stockholders. **Price**—By amendment. **Business**—A holding company with subsidiaries in the savings and loan, real estate and insurance fields. **Proceeds** — For repayment of loans and working capital. **Office**—9460 Wilshire Blvd., Beverly Hills. **Underwriter**—William R. Staats & Co., Los Angeles (managing).

Transvision Electronics, Inc. (8/28-9/1)
June 29, 1961 filed 140,000 common shares. **Price**—By amendment. **Business**—The manufacture of specialized TV equipment. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—460 North Avenue, New Rochelle, N. Y. **Underwriter**—Adams & Peck, New York.

Tresco, Inc. (8/30)
June 5, 1961 filed 100,000 common shares. **Price**—$5. **Business**—Manufactures transformers for electronic equipment. **Proceeds**—For the repayment of debt, research and development, to finance a new subsidiary and for other corporate purposes. **Office**—3824 Terrance St., Philadelphia. **Underwriter**—Amos Treat & Co., New York (managing).

Tri-State Displays, Inc.
July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). **Price**—$1.15. **Proceeds**—For working capital. **Office**—1221 Glenwood Ave., Minneapolis. **Underwriter**—Naftalin & Co., Minneapolis.

● **Triangle Instrument Co. (8/21)**
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture of precision instruments and components. **Proceeds**—For equipment, inventory, the repayment of debt, and working capital. **Office**—Oak Drive and Cedar Place, Syosset, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York City.

Tri Metal Works, Inc.
June 29, 1961 filed 68,000 outstanding common shares to be offered by the stockholders. **Price**—At the market. **Business** — The designing, converting and equipping trucks used in sale of ice cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. **Proceeds**—For the selling stockholders. **Office**—Bennard & Warrington Sts., East Riverton, N. J. **Underwriters**—R. L. Scheinman & Co., New York and Blaha & Co., Inc., Long Island City, N. Y.

Trinity Funding Corp. (8/21-25)
June 19, 1961 filed 250,000 common shares. **Price**—$6. **Business**—A consumer and industrial finance company. **Proceeds**—For working capital. **Office**—1107 Broadway, New York. **Underwriter**—Trinity Securities Corp., 40 Exchange Place, New York.

Tungsten Mountain Mining Co.
Aprii 7, 1961 (letter of notification) 400,000 shares of common stock (par 25 cents). **Price** — 62½ cents per share. **Proceeds**—For mining expenses. **Office**—511 Securities Bldg., Seattle, Wash. **Underwriter**—H. P. Pratt & Co., Inc., Seattle, Wash.

Turbodyne Corp.
May 10, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business** — The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

Turf & Paddock, Inc.
June 26, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—$3. **Proceeds**—For working capital. **Office**—One State St., Boston. **Underwriter**—Shawe & Co., Inc., Washington, D. C.

Union Leagues, Inc.
June 28, 1961 filed $700,000 of 7% subordinated sinking fund debentures due 1976 (with attached warrants) and 140,000 common shares to be offered in units consisting of 80 common shares and $400 of debentures. **Price**—$800 per unit. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, acquisition of a warehouse and working capital. **Office**—11459 E. Imperial Highway, Norwalk, Calif. **Underwriter** — Holton, Henderson & Co., Los Angeles.

United Investors Corp. (8/28-9/1)
May 26, 1961 filed 76,109 shares of class A stock. **Price**—$10 per share. **Business**—The company plans to acquire 15 realty properties in eight states. **Proceeds**—For the repayment of debt, property acquisitions, and working capital. **Office**—60 E. 42nd Street, New York City. **Underwriter**—None.

U. S. Dielectric Inc.
July 24, 1961 ("Reg. A")99,990 common shares (par 10 cents). **Price**—$3. **Business**—The manufacture and distribution of epoxy resins for potting uses. **Proceeds**—For repayment of loans, research and development, moving expenses and working capital. **Office** — 140 Adams St., Leominster, Mass. **Underwriter** — Richard Bruce & Co., Inc., New York.

● **U. S. Fiberglass Products Co. (8/18)**
April 27, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business**—The company plans to manufacture fiberglass shingles, beams, purlin and other materials. **Proceeds** — For working capital, inventory and equipment, and sales promotion. **Office** — Clarkville, Texas. **Underwriter**—Hauser, Murdock, Rippey & Co., Dallas, Texas.

● **U. S. Home & Development Corp. (8/21)**
May 11, 1961 filed 300,000 shares of class A capital stock. **Price**—To be supplied by amendment. **Business** — The planning, development and marketing of single-family-home communities in New Jersey. **Proceeds**—For the repayment of loans, purchase of land and development of properties. **Office** — 52 Neil Ave., Lakewood, N. J. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C., and New York City.

U. S. Markets, Inc.
July 31, 1961 filed 200,000 common shares, of which 160,000 shares are to be offered by the company and 40,000 shares by a stockholder. **Price**—$5. **Business**—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—60 Fallon Street, Oakland, Calif. **Underwriter**—Stanley Heller & Co., New York.

● **U. S. Plastic & Chemical Corp. (9/11-15)**
July 11, 1961 filed 125,000 common shares. **Price** — By amendment. **Business**—The manufacture of plastic materials for use by the button and novelty industries. **Proceeds**—For the repayment of debt, expansion, and working capital. **Office** — Metuchen, N. J. **Underwriter**—Adams & Peck, New York.

United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. **Price**—$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in early November.

Universal Electronics, Inc.
July 27, 1961 ("Reg. A") 213,000 common shares (par 10 cents). **Price**—$1.15. **Office**—402 Minnesota Bldg., St. Paul. **Underwriter**—Brandtjen & Bayliss, St. Paul.

Universal Health, Inc.
June 14, 1961 ("Reg. A") 100,000 common shares. **Price**—$3. **Business** — The operation of a chain of health studios. **Proceeds**—For expansion, advertising, financing of time payment memberships and other corporate purposes. **Office**—15A South Main St., West Hartford, Conn. **Underwriter**—Cortlandt Investing Corp., 120 Wall St., New York.

Universal Moulded Fiber Glass Corp.
June 18, 1961 filed 275,000 outstanding common shares to be sold by stockholders. **Price**—$10. **Business**—The manufacture of fiber glass reinforced plastic. **Proceeds**—For the selling stockholders. **Address**—Commonwealth Ave., Bristol, Va. **Underwriter**—A. G. Edwards & Sons, St. Louis (managing).

Universal Publishing & Distributing Corp.
June 28, 1961 filed 50,000 6% cumulative preferred shares (par $10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. **Price**—$15 per unit. **Business**—The publishing of magazines and paper bound books. **Proceeds**—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. **Office**—117 E. 31st Street, N. Y. **Underwriter**—Allen & Co., New York.

Universal Surgical Supply Inc.
Aug. 1, 1961 filed 200,000 common shares, of which 100,000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. **Business** — The sale of medicine, surgical and laboratory equipment manufactured by others. **Proceeds**—For the repayment of debt. **Office** — 9107 Wilshire Blvd., Beverly Hills, Calif. **Underwriter** — Dempsey-Tegeler & Co., Inc., St. Louis.

Upjohn Co.
July 28, 1961 filed 633,400 common shares. **Price** — By amendment. **Business**—The manufacture of drugs. **Proceeds**—For the selling stockholders. **Office**—7000 Portage Rd., Kalamazoo, Mich. **Underwriter**—Morgan Stanley & Co., New York (managing).

Vacu-Dry Co.
June 27, 1961 filed 400,000 common shares. **Price**—By amendment. **Proceeds** — For expansion, repayment of bank loans and working capital. **Office** — 950 56th St., Oakland, Calif. **Underwriter**—Wilson, Johnson & Higgins, San Francisco (managing).

Valley Title & Trust Co.
June 13, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The writing and selling of title insurance and the acting as trustee and escrow agent. **Proceeds**—For working capital, reserves and other corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter** — Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J.

Valve Corp. of America
July 26, 1961 filed 160,000 common shares, of which 75,000 shares are to be offered by the company and 70,000 shares by stockholders. **Price**—$7. **Business**—The manufacture of valves and accessories for aerosol containers. **Proceeds**—For repayment of debt and working capital. **Office**—1720 Fairfield Ave., Bridgeport, Conn. **Underwriter** — Lomasney, Loving & Co., New York (managing).

Varitron Corp.
July 25, 1961 filed 100,000 shares of common stock. **Price**—$2. **Business** — The manufacture of electronic items, principally TV and radio parts. **Proceeds**—For equipment, financing of merchandise, imports and accounts receivable and working capital. **Office** — 397 Seventh Ave., Brooklyn, N. Y. **Underwriter** — Kenneth Kass, New York.

Vatronic Lab. Equipment, Inc.
May 29, 1961 filed 80,000 shares of common stock. **Price**—$4 per share. **Business**—The manufacture of industrial high vacuum systems and equipment. **Proceeds** — For the repayment of debt, plant expansion, equipment, sales promotion and working capital. **Office**—Northport, N. Y. **Underwriter** — Stanley R. Ketcham & Co., New York. **Offering**—Expected in late August.

Vending International, Inc.
July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). **Price**—$4.24. **Proceeds** — For repayment of debt, expansion and a new building. **Office**—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. **Underwriter**—H. P. Black & Co., Inc., Washington, D. C.

Vic Tanny Enterprises, Inc. (9/5)
May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be offered for the account of the company and 200,000 shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., New York City. **Underwriter**—S. D. Fuller & Co., New York City.

● **Vinco Corp. (8/23)**
May 19, 1961 filed $2,000,000 of 6% convertible subordinated debentures due 1976. **Price**—At 100% of principal amount. **Business**—The production of gauges and measuring instruments and the manufacture of precision parts and subassemblies for the aircraft, missile and other industries. **Proceeds**—For the repayment of debt, expansion, working capital and reserves for possible future acquisitions. **Office**—9111 Schaefer Highway, Detroit, Mich. **Underwriter**—S. D. Fuller & Co., New York City (managing).

Vol-Air, Inc.
July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). **Price**—$2.50. **Business**—The manufacture of a patented heat and mass transfer system. **Proceeds**—For equipment, filing of patents, inventory, advertising and promotion. **Address**—347 Madison Avenue, New York. **Underwriter**—Glass & Ross, Inc., 60 E. 42nd Street, New York 17, N. Y.

Voron Electronics Corp.
July 28, 1961 filed 100,000 class A shares. **Price** — $3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office** — 1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters** — John Joshua & Co., Inc., and Reuben Rose & Co., New York.

Wagner Baking Corp.
July 5, 1961 filed 50,637 outstanding common shares. **Price**—At-the-market. **Business**—The manufacture of pies, cakes and other pastries and the distribution of frozen foods. **Proceeds**—For the selling stockholders. **Office**—13 Vesey St., Newark. **Underwriter**—None.

Wainrite Stores, Inc.
June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The operation of discount merchandising centers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—691 E. Jericho Turnpike, Huntington Station, N. Y. **Underwriter**—Omega Securities Corp., New York.

Wald Research, Inc.
July 26, 1961 filed 65,000 common shares. **Price** — $5. **Business** — The manufacture of ground support equipment for the aircraft, misisle and related industries. **Proceeds**—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. **Office**—79 Franklin Turnpike, Mahwah, N. J. **Underwriters** — Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Waldbaum, Inc.
July 21, 1961 filed 183,150 common shares, of which 120,000 shares are to be offered by the company and 63,150 shares by the stockholders. **Price**—By amendment. **Business**—The operation of a supermarket chain and the wholesaling of food products. **Proceeds**—For repayment of loans, expansion, inventory and other corporate purposes. **Office**—2300 Linden Boulevard, Brooklyn, N. Y. **Underwriter** — Shields & Co., New York (managing). **Offering**—Expected in late September.

Walter Sign Corp. (9/15)
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Washington Engineering Services Co., Inc. (9/1)
June 29, 1961 filed 375,000 common shares. **Price**—$1. **Business**—The servicing of manufacturing companies and engineering professions, through various training programs. **Proceeds**—For leasehold improvement, repayment of loans and working capital. **Office**—4915 Cordell Avenue, Bethesda, Md. **Underwriter**—None.

Water Industries Capital Corp.
July 21, 1961 filed 964,100 common shares. **Price**—$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—122 E. 42nd Street, New York. **Underwriter**—Hornblower & Weeks, New York (managing).

Watson Electronics & Engineering Co., Inc.
July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price** — $4. **Proceeds**—For manufacturing, laboratory and office facilities, equipment and working capital. **Office**—2603 S. Oxford St., Arlington, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Wesco Industries, Inc.
July 19, 1961 ("Reg. A") 80,000 common shares. **Price**—$3. **Business**—The manufacture of pumps, mist coolant general tanks and machine component parts for the missile industries. **Proceeds**—For moving expenses, equipment, research and development, and working capital. **Office** — Burbank, Calif. **Underwriter** — First Madison Corp., New York.

West Coast Bowling Corp. (8/30)
May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. **Price**—$9.75 per share. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (managing).

Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. **Price**—$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office** — 1201 Continental Bank Bldg., Salt Lake City, Utah. **Business**—Factoring. **Underwriter**—Elmer K. Aagaard, Newhouse Bldg., Salt Lake City, Utah.

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Western Union Telegraph Co. (9/8)
July 12, 1961 filed 1,075,791 common shares to be offered for subscription by stockholders on the basis of one new share for each six shares held of record Sept. 8, 1961. **Price**—By amendment. **Proceeds**—For repayment of loans and expansion. **Office**—60 Hudson St., New York. **Underwriters**—Kuhn, Loeb & Co. and Lehman Brothers, New York (managing).

Wetterau Foods, Inc.
June 27, 1961 filed 100,000 common shares. **Price**—By amendment. **Proceeds**—For new equipment and working capital. **Office** — 7100 Englewood Ave., Hazelwood, Mo. **Underwriter** — G. H. Walker & Co., Inc., New York (managing).

Wilco Commercial Corp.
July 21, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The financing of business institutions. **Proceeds**—For working capital. **Office**—350 Fifth Avenue, New York. **Underwriter**—A. J. Gabriel Co., Inc., New York.

● Wisconsin Power & Light Co.
July 17, 1961 filed 15,000 cumulative preferred shares (par $100) which are being offered to employees and preferred stockholders of record Aug. 10, 1961, with rights to expire Aug. 30, 1961. **Price**—$100 plus accrued dividends. **Proceeds**—For construction. **Office**—122 W. Washington Avenue, Madison 1, Wis. **Underwriters**—Smith, Barney & Co., New York and Robert W. Baird & Co., Inc., Milwaukee (managing).

Wonderbowl, Inc.
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

● Wood Manufacturing Co., Inc.
July 24, 1961 ("Reg. A") 250,000 common shares (par $1). **Price**—$1.15. **Proceeds**—Foor working capital, repayment of loans, purchase of equipment, advertising and building construction. **Office** — 1035 Chestnut St., Conway, Ark. **Underwriter**—J. P. Penn & Co., Minneapolis.

World Scope Publishers, Inc.
July 31, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The publishing of encyclopedias and other reference books. **Proceeds**—For repayment of debt, working capital and general corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc.
July 20, 1961 filed 130,000 common shares. **Price**—$4. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, expansion and working capital. **Office**—2044 Chestnut Street, Philadelphia. **Underwriter**—Fraser & Co., Philadelphia.

Wyoming Wool Processors, Inc.
June 5, 1961 filed 700,000 common shares. **Price**—$1. **Business**—The processing of wool. **Proceeds**—For the purchase of equipment, building rental, and working capital. **Address**—Box 181, Casper, Wyo. **Underwriter**—None.

XTRA, Inc.
June 28, 1961 filed 182,570 common shares of which 160,000 shares are to be offered by the company and 22,570 shares by stockholders. **Price**—By amendment. **Business**—The leasing of truck trailers to railroads or customers of railroads. **Proceeds**—For repayment of debt and for working capital. **Office**—150 Causeway Street, Boston. **Underwriter**—Putnam & Co., Hartford, Conn. (managing).

Yardney Electric Corp.
July 18, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—The manufacture of silver-zinc primary and rechargeable batteries. **Proceeds**—For purchase and installation of equipment and property, working capital and other corporate purposes. **Office**—40-52 Leonard St., New York. **Underwriter**—Kidder, Peabody & Co., Inc., New York.

York Research Corp.
June 28, 1961 filed 75,000 class A shares. **Price**—By amendment. **Business**—The testing of industrial and consumer products. **Proceeds**—For the establishment of a new laboratory and the purchase of equipment. **Office**—1 Atlantic Street, Stamford, Conn. **Underwriter**—Allen & Co.. New York (managing).

Zep Aero
July 28, 1961 filed 50,000 common shares, of which 30,000 shares are to be offered by the company and 20,000 shares by a stockholder. **Price**—By amendment. **Business**—The manufacture of oxygen systems and accessories for aircraft. **Proceeds** — For inventory, plant improvement, equipment and working capital. **Office**—113 Sheldon St., El Segundo, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Zion Foods Corp.
July 20, 1961 filed 110,000 common shares, of which 90,000 shares are to be offered by the company and 20,000 shares by a selling stockholder. **Price**—$5. **Business**—The processing of meat and poultry. **Proceeds**—For inventory and plant expansion. **Office**—482 Austin Place, Bronx, N. Y. **Underwriter**—Finkle & Co., New York (managing).

Prospective Offerings

Adrian Steel Co.
June 30, 1961 it was reported that a "Reg. A" will be filed with the SEC shortly covering 100,000 common shares (par 50c). **Price**—$3. **Business**—Automotive fabricating. **Proceeds**—To establish a new industrial air conditioner division. **Office**—Adrian, Mich. **Underwriter**—Morrison & Frumin, Inc., Detroit.

All-American Airways Co.
May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock. **Price**—$4 per share. **Office**—Danbury, Conn. **Underwriter**—Edward Lewis Co. Inc., New York City (managing).

Aluma-Rail, Inc.
Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$3. **Business** — The manufacture of new color anodized aluminum chain link fencing. **Proceeds**—For inventory and plant expansion. **Office** — 44 Passaic Avenue, Kearny, N. J. **Underwriters** — Omega Securities Corp., New York.

Appalachian Power Co.
Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell $35,000,000 to $40,000,000 of bonds late in 1961 or early in 1962. **Office**—2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Baltimore Gas & Electric Co.
May 15, 1961 it was reported that this company plans to issue about $20,000,000 of first mortgage bonds in late 1961 or early 1962. **Office** — Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., and First Boston Corp. (jointly); Harriman Ripley & Co., Inc., and Alex. Brown & Sons (jointly).

Bay State Electronics Corp.
Aug. 2, 1961 it was reported that this company plans to file a registration shortly covering about 270,000 common shares to raise some $2,500,000. **Business**—Research, development and production of items in the fields of medical electronics, etc. **Proceeds** — For expansion and working capital. **Office**—43 Leon St., Boston, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing).

Best Plastic Corp.
July 25, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 125,000 common shares. **Price**—$3. **Business**—The manufacture of plastic party favors for children. **Proceeds**—For expansion. **Office**—945 39th St., Brooklyn, N. Y. **Underwriters**—S. B. Cantor Co., and John R. Maher Associates, New York.

Carbonic Equipment Corp.
June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. **Price** $3. **Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter** — R. F. Dowd & Co., Inc.

Caxton House Corp.
Jan. 24, 1960 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. **Price**—Approximately $3 per share. **Business**—Book publishing. **Office**—9 Rockefeller Plaza, New York City. **Underwriter**—To be named.

Cosmetically Yours, Inc.
May 16, 1961 it was reported that this corporation is contemplating a public offering. **Business**—The manufacturing and sale of cosmetics. **Office** — 15 Clinton Street, Yonkers, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., New York City.

Contact Lens Guild, Inc.
June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. **Business**—The manufacture of contact lenses. **Office**—353 East Main St., Rochester, N.Y. **Underwriter**—To be named. **Offering**—Expected in Dec.

Cowles Magazine & Broadcasting, Inc.
May 3, 1961 it was reported that this corporation will issue stock later this year. The firm denied the report. **Business** — Publishing and allied fields. **Office** — 488 Madison Ave., New York City. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Delaware Power & Light Co.
Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about $14,600,000. The last offering of common to stockholders in June, 1956, consisted of 232,520 shares offered at $35 a share to holders of record June 6, on the basis of one share for each eight shares held. **Proceeds**—For construction. **Office**—600 Market Street, Wilmington, Del. **Underwriter**—To be determined by competitive bidding. Probable bidders: Carl M. Loeb, Rhoades & Co., New York; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

Gabriel Co.
April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. **Office** — 1148 Euclid Avenue, Cleveland, Ohio. **Underwriters**—To be named. The last financing by the company in September, 1959, was handled by Carl M Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

● General Telephone Co. of Florida
Aug. 15, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about $15,000,000 of bonds in January 1962. **Office**—610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.
Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and New York City. **Offering**—Expected in October.

● Georgia Power Co. (10/25)
Aug. 15, 1961 it was reported that this company plans to issue $10,000,000 of first mortgage bonds in October. **Office**—Electric Bldg., Atlanta. **Underwriters**—(Competitive). Probable bidders: Harriman Ripley & Co., Inc; Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected Oct. 25.

● Georgia Power Co. (10/30)
Aug. 15, 1961 it was reported that this company plans to sell $7,000,000 of preferred stock in October. **Office**—Electric Bldg., Atlanta. **Underwriters** — (Competitive). Probable bidders: First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. **Bids**—Expected Oct. 29.

Glenmore Distilleries Co.
Aug. 9, 1961, Joseph A. Engelhard, President, stated that the company plans to issue bonds later this year because it thinks that its $12,000,000 in outstanding bank loans are "too heavy for out our volume." **Business**—The production and sale of domestic whiskeys. **Office**—660 South 4th Street, Louisville, Ky. **Underwriter**—To be named. The company has never issued bonds, but its last sale of debentures on Sept. 12, 1952 was underwritten by Glore, Forgan & Co., New York City and associates.

● Gulf States Utilities Co. (10/3)
July 25, 1961 it was reported that this company plans to issue about $15,000,000 of debentures. **Office** — 285 Liberty Ave., Beaumont, Texas. **Underwriters** — Competitive. Probable bidders: Salomon Brothers & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. **Bids**—Oct. 3, 1961 at 11 a.m. **Information Meeting**—Sept. 28 (11a.m. EDST) at 70 Broadway (18th floor) New York.

Houston Fearless Corp.
Feb. 27, 1961, Barry J. Shillito, President, stated that the company plans to expand its Western Surgical and Westlab divisions into a new national medical and hospital supply concern. He added that 80% of the new firm's stock would be retained by Houston and the remaining 20% sold to the public. **Office** — 11801 W. Olympic Blvd., Los Angeles 64, Calif. **Offering** — Expected in mid-September.

Hygrade Packing, Inc.
June 28, 1961 it was reported that this company plans to sell about $500,000 of common stock. **Business**—The manufacture of industrial and consumer packaging. **Proceeds**—For expansion. **Office**—92-00 Atlantic Avenue, Ozone Park, N. Y. **Underwriter**—P. J. Gruber, N. Y.

John's Bargain Stores Corp.
July 27, 1961 it was reported that this company plans to file a registration statement covering an undisclosed number of common shares. **Business**—The operation of a chain of discount stores selling household goods. **Office**—1200 Zerega Ave.. Bronx. N. Y. **Underwriter**—To be named. **Offering**—Expected in early 1962.

● Kansas Power & Light Co. (10/10)
Aug. 15, 1961 it was reported that this company plans to sell about $13,000,000 of debentures in October. **Office**—800 Kansas Ave., Topeka. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Blyth & Co. Inc. **Bids**—Expected Oct. 10, 1961.

Macrose Industries
May 2, 1961 it was reported that this company, formerly named Macrose Lumber & Trim Co., Inc., plans a full filing of about 500,000 common shares (par $1). **Business**—The company owns a chain of lumber yards on Long Island. **Office**—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y. **Underwriter**—To be named.

Mainco Electronics & Marine Development Corp.
July 17, 1961 it was reported that a "Reg. A" will be filed shortly covering $300,000 of common stock. **Pro-**

ceeds—For general corporate purposes. **Address**—Booth Bay Harbor, Maine. **Underwriter**—Nance-Keith Corp., New York City.

Masters Inc.
Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

McCulloch Corp.
Jan. 9, 1961 it was reported that this corporation will schedule its initial public financing for late 1961 or some time in 1962. **Business**—The corporation manufactures Scott outboard motors and McCulloch chain saws. **Office**—6101 West Century Blvd., Los Angeles, Calif.

Metropolitan Edison Co.
Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about $10,000,000 of first mortgage bonds and $5,000,000 of debentures in September. **Office**—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.
April 12, 1961 it was reported that this company plans to sell 150,000 common shares. **Price** — $4 per share. **Business**—Food distribution. **Proceeds** — For working capital. **Office** — 45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Metropolitan Telecommunications Corp.
July 5, 1961 it was reported that a fully registered seconday offering of this firm's stock will be made in September. **Office**—Ames Court, Plainview, L. I., New York. **Underwriter**—M. L. Lee & Co., Inc., New York (managing).

Milo Components, Inc.
June 19, 1961 it was reported that this company plans to file a "Reg. A" covering 150,000 common shares (par 10-cents). **Price**—$1. **Business**—The manufacture of components for the missile and aircraft industries. **Proceeds**—For expansion, equipment, and working capital. **Office**—9 Cleveland St., Valley Stream, N. Y. **Underwriter**—T. M. Kirsch & Co., New York.

Miss Pat, Inc.
Aug. 9, 1961 it was reported that a registration statement covering about $1,000,000 of this company's outstanding common stock will be filed in September. **Business**—The manufacture of teen-age apparel. **Proceeds**—For the selling stockholders. **Office**—860 Los Angeles Street, Los Angeles, Calif. **Underwriter**—Mitchum, Jones & Templeton, Los Angeles.

Monterey Gas Transmission Co.
April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter** — Lehman Brothers, New York City (managing).

New England Power Co. (10/25)
Jan. 20, 1961 it was reported that this subsidiary of New England Electric System plans to sell $20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston 16, Mass. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—To be received on Oct. 25, 1961.

Northern Natural Gas Co.
March 15, 1961, it was reported that some $12,000,000 to $15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. **Proceeds**—For construction. **Office**—2223 Dodge St., Omaha 1, Neb. **Underwriter**—Blyth & Co., Inc., New York City (managing).

Pacific Gas & Electric Co. (9/26)
July 25, 1961 it was reported that this company plans to sell about $60,000,000 of first and refunding mortgage bonds in September. **Office**—245 Market St., San Francisco. **Underwriters** — Competitive. Probable bidders: First Boston Corp., and Halsey, Stuart & Co., Inc. (jointly) and Blyth & Co., Inc. **Bids**—Expected on Sept. 26, 1961.

Pacific Lighting Corp.
Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for $20,000,000 to $40,000,000 of new financing in 1961 and that it probably would not be a common stock offering. **Office**—600 California St., San Francisco 8, Calif.

Panhandle Eastern Pipe Line Co.
March 8, 1961 it was reported that this company expects to sell about $72,000,000 of debentures in September, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Penthouse Club, Inc.
June 1, 1961 it was reported that this company plans to issue 60,000 common shares. **Price**—$5. **Business**—The operation of dining clubs. **Proceeds**—For expansion and working capital. **Office**—15th and Locust St., Philadelphia. **Underwriter**—To be named.

★ Pittsburgh Steel Co.
Aug. 15, 1961 it was reported that this company plans to raise about $10,000,000 by sale of about 72,000 common shares to stockholders through subscription rights. **Proceeds**—For a capital improvement program. **Office**—1600 Grant Bldg., Pittsburgh 30, Pa. **Underwriter**—To be named. M. D. Safanie, a director of the company is a partner of Shearson, Hammill & Co., New York.

Producing Properties, Inc.
July 12, 1961 it was reported that stockholders had voted to increase authorized common stock from 3,000,000 to 5,000,000 shares. Robert J. Bradley, chairman, stated that the company intends to sell sufficient common shares to net $5,000,000 after commissions and expenses, subject to approval of the SEC. **Business**—The purchase and operation of oil and gas properties. **Proceeds** — For the development of underground reserves. **Office**—35th floor, Southland Center, Dallas, Tex. **Underwriters**—To be named. The last offering of common and debentures in November 1954 was underwritten by Hemphill, Noyes & Co., and Shields & Co., New York and Rauscher, Pierce & Co., Dallas.

Public Service Co. of Colorado
Dec. 2, 1960, W. D. Virtue, treasurer, stated that company plans the sale of about $25,000,000 in first mortgage bonds to be offered stockholders through subscription rights. **Proceeds**—For expansion. **Office**—900 15th St., Denver, Colo. **Underwriter** — Last equity financing handled on a negotiated basis by First Boston Corp. **Offering**—Expected in November.

★ Public Service Electric & Gas Co. (10/17)
Aug. 15, 1961 it was reported that this company plans to sell $50,000,000 of debentures due Oct. 1, 1981 in October. **Office**—80 Park Place, Newark 1, N. J. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co. Inc., Goldman, Sachs & Co., and Harriman Ripley & Co., Inc. (jointly). **Bids**—Expected on or about Oct. 17 at 11 a.m. (EDST).

● Rochester Gas & Electric Corp. (11/14)
Aug. 15, 1961 the company stated it plans to issue about $15,000,000 of 30-year bonds in November. **Proceeds**—For construction. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co. Inc.; The First Boston Corp. **Bids**—Expected Nov. 14 at 11 a.m. (D.S.T.).

Sel-rex Corp.
May 16, 1961 it was reported that this firm is contemplating its first public financing. **Business** — Precious metals manufacturing. **Office**—75 River Road, Nutley, N. J. **Underwriter**—To be named.

Servonuclear Corp.
Aug 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$2. **Business**—The manufacture of medical electronic equipment. **Proceeds**—For expansion. **Office**—28-21 Astoria Boulevard, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Southern California Edison Co.
May 23, 1961 it was reported that this company will need an additional $35,000,000 to finance its 1961 construction program. No decision has yet been made as to whether the funds will be raised by bank loans, or the sale of preferred stock or bonds. **Office**—601 West Fifth St., Los Angeles, Calif. **Underwriter**—To be named. The last sale of preferred stock on May 12, 1948 was handled on a negotiated basis by First Boston Corp., New York City and associates. The last sale of bonds in April 1961 was bid on by Blyth & Co.; First Boston Corp., Dean Witter & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co., Equitable Securities Corp. (jointly).

Southern Natural Gas Co.
Oct. 28, 1960 it was reported by Mr. Loren Fitch, company comptroller, that the utility is contemplating the sale of $35,000,000 of 20-year first mortgage bonds sometime in 1961, with the precise timing depending on market conditions. **Proceeds** — To retire bank loans. **Office**—Watts Building, Birmingham, Ala. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly). **Offering**—Expected in October.

Southern Railway Co.
Nov. 21, 1960 stockholders approved the issuance of $33,000,000 of new bonds. The issuance of an unspecified amount of additional bonds for other purchases was also approved. **Proceeds** — For general corporate purposes, including the possible acquisition of Central of Georgia Ry. **Office**—Washington, D. C. **Underwriter**—Halsey, Stuart & Co. Inc., will head a group that will bid on the bonds.

Southwestern Public Service Co.
July 19, 1961, Herbert L. Nichols, Chairman, stated that the company plans to issue about $13,000,000 of common stock in March 1962. The shares will be offered for subscription by common stockholders on the basis of one new share for each 20 shares held. **Proceeds**—For construction. **Office**—720 Mercantile Dallas Bldg., Dallas 1, Texas. **Underwriter**—To be named. The last rights offering to stockholders in January 1957 was underwritten by Dillon, Read & Co., New York City.

Tampa Electric Co.
May 10, 1961 it was reported that this company plans to spend over $80,000,000 on new construction in the next three years. No financing is planned this year but in 1962 the company may issue bonds or common stock. **Office**—111 No. Dale Mabry Hwy., Tampa, Fla. **Underwriters**—To be named. The last sale of bonds on June 29, 1960 was handled by Halsey, Stuart & Co. Inc., New York City. Other competitive bidders were Merrill Lynch, Pierce, Fenner & Smith Inc.; Goldman, Sachs & Co.; Stone & Webster Securities Corp. The last sale of common stock on Feb. 13, 1960 was made through Stone & Webster Securities Corp.

Teeco Automated Systems, Inc.
Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$3. **Business**—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry. **Proceeds** — For expansion. **Office** — 42-14 Greenpoint Avenue, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Tower Construction Co.
July 5, 1961 it was reported that a registration statement will be filed shortly covering an undisclosed number of common shares. **Price**—$10 per share. **Business**—The installation and maintenance of radar, micro-wave relay and broadcast antenna towers for military and commercial use. **Office** — 2700 Hawkeye Drive, Sioux City, Iowa. **Underwriter** — C. E. Unterberg, Towbin & Co., New York (managing).

Trunkline Gas Co.
March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about $32,000,000 of bonds and $10,000,000 of pfd. stock in Sept. **Office**—120 Broadway, New York City. **Underwriters** - Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

Universal Oil Products Co.
Jan. 17, 1961 it was reported that this company many require financing either through bank borrowings or the sale of debentures in order to further expansion in a major field which the company would not identify. No decision has been made on whether the product, named "Compound X," will be produced. **Business**—The company is a major petroleum and chemical research and process development concern. **Office** — 30 Algonquin Road, Des Plaines, Ill. **Underwriter**—To be named. The company has never sold debentures before. However, the last sale of common stock on Feb. 5, 1959 was handled by Lehman Brothers; Smith, Barney & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., all of New York City.

Vector Engineering Inc.
Aug. 9, 1961 it was reported that a full registration will be filed shortly covering 100,000 common shares. **Price**—$6. **Business** — Engineering and design services, the development of electromechanical and electronic devices for industry and the Federal Government, and the preparation of technical publications. **Proceeds**—For expansion. **Office**—155 Washington Street, Newark, N. J. **Underwriter**—Omega Securities Corp., New York.

Virginia Electric & Power Co. (12/5)
March 23, 1961, the company announced plans to sell $15,000,000 of securities, possibly bonds or debentures. **Office** — Richmond 9, Va. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

West Coast Telephone Co.
April 11, 1961 it was stated in the 1960 annual report that the company plans to spend $12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California Street, Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

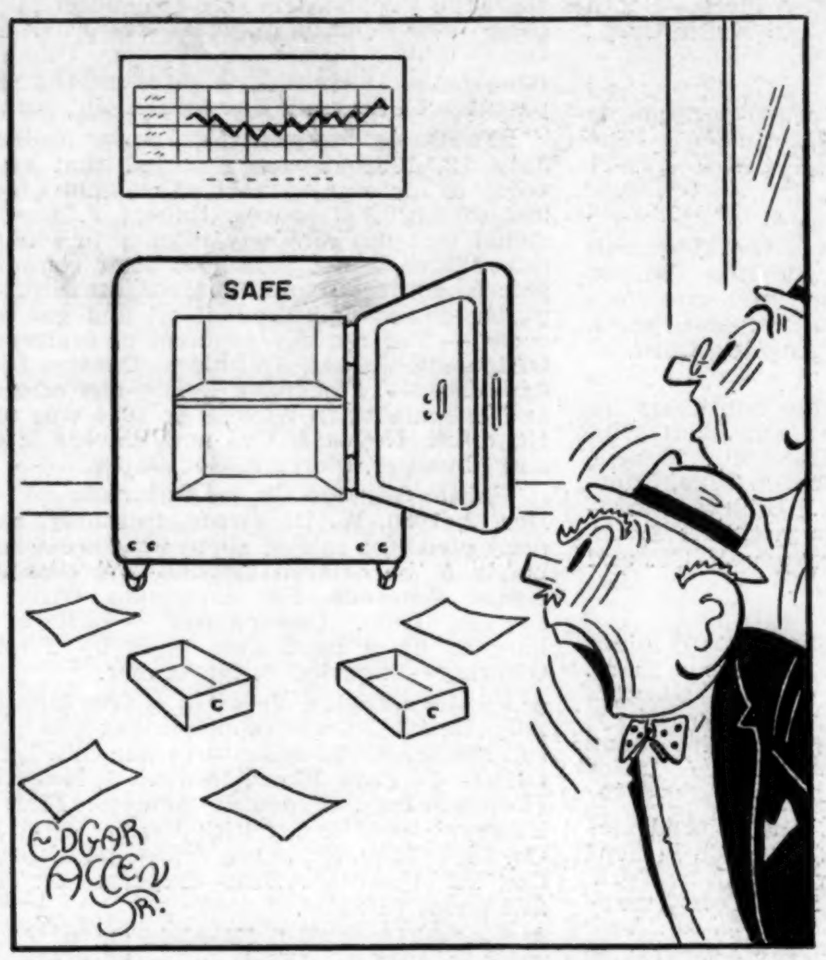
West Penn Power Co.
Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about $25,000,000 of bonds in 1962. **Office** — 800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Western Union Telegraph Co.
Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about $4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of $100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for $100,000 and WUI would sell $4,500,000 of debentures or bonds. **Office** — 60 Hudson Street, New York City. **Underwriter**—American Securities Corp. (managing).

Wisconsin Southern Gas Co.
Dec. 12, 1960 it was reported in a company prospectus that an undetermined amount of capital stock or bonds will be sold in 1961-1962. **Proceeds**—For the repayment of short-term bank loans incurred for property additions. **Office**—Sheridan Springs Road, Lake Geneva, Wis. **Underwriter**—The Milwaukee Co., Milwaukee, Wis. (managing).

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL



"Last time I hire a Registered Representative because he has 'Get Up and Go'!"

WASHINGTON, D. C.—The Small Business Administration, which Congress created subsequent to abolishing the Reconstruction Finance Corporation, is becoming a big agency for the government. It is lending a substantial amount of money.

What is small business anyway? There are all kinds of answers to that question and just as many different viewpoints. The Small Business Administration has come up with a definition—a bit fastidious but a lot of truth in it—of its own:

Small business is anybody who has a larger competitor.

The new Director of the Small Business Administration is a man who didn't ask for the job and, after it was offered to him by President Kennedy, he had a difficult time making up his mind whether or not to accept it. He is John E. Horne.

Mr. Horne hails originally from the little town of Clayton, Ala. He is a graduate of the University of Alabama. Senator John J. Sparkman of Alabama brought him to Washington where he was serving as his Administrative Assistant when the Kennedy Administration offered him the position as SBA Director.

Lauded By Sparkman

Senator Sparkman, who had a leading legislative role in creating the Small Business Administration, pointing with pride to Mr. Horne's tenure in office since January, said: "I almost had to push him out of my office so he would take it. John Horne is a conscientious, dedicated man and a hard worker."

Mr. Horne's a strong advocate of small business, and he has proven that by the acceleration of the loan programs that have taken place since he took office.

Before a business is eligible to make application for a loan, the business first must have had a turndown from a private-lending institution. Incidentally, regular business loans are made at the rate of 5½% interest rates. Certain types of disaster loans are made at the rate of 4½%.

Heavy Loan Volume

During the first six months of the Kennedy Administration, the SBA received 6,356 business loan applications totaling $403,901,000. Of these 3,068 loans, totaling $154,170,000, were approved. This was an increase of 47% over the applications approved—2,091 loans for $98,887,000—for the corresponding six months of the Eisenhower Administration in 1960.

Business loans by the government agency during June, 1961, totaling 921 loans for $48,255,000, was the highest number approved in a single month since the SBA was created.

Why is the SBA of value to small business? Mr. Horne's answer is: Small business has never had a place where it could get equity capital on long-term loans at reasonable prices. Therefore, he maintains the agency is extremely important for this reason alone.

In the United States today there are about 4,700,000 businesses. Of these about 4,500,000 are in the category of small business, and they employ about 40% of the people who work for small business.

Under present law the SBA's top loan cannot exceed $350,000. The average loan is $47,000.

Local Development Groups Aided

The so-called local development program is attracting considerable attention and sympathy with the Horne Administration. This is the type of program where a local group organizes a company to modernize and generally improve a small business in the community. If the local people will put up 20% of the cost, the SBA will put up the other 80%.

Modernization in many instances is paving the way for more jobs in the community. So many of the small towns in the United States are slowly shrinking, despite the tremendous population growth in the United States. This is particularly true in many of the agricultural counties of the Nation. The metropolitan areas are the ones chalking up most of the population growth.

There are many people in the country who do not believe in the philosophy of the SBA. Many business leaders feel that because of the Government loans the recipient small businesses will make competition more difficult for them. Thus it is natural that they would oppose the basic philosophy of SBA.

Future Big Business

The big businesses started out as small businesses, and some of these getting loans today may expand into large businesses. However, with corporation taxes and the other taxes so high today as compared with the era before Pearl Harbor, it is more difficult for a business to grow.

The Small Business Administration is empowered under the 1958 act to make loans to small businesses directly where need be, and in participation with banks and other private lending institutions. It can make loans to state and local development companies for relending to small business or for the construction of facilities to lease to such small businesses.

Under the controversial Area Redevelopment Administration, which Congress created this year at the behest of President Kennedy, SBA is going to have a role. Loans under Area Redevelopment will be processed by the Small Business Administration's financial examiners.

Before a loan may be made under the new redevelopment law, it must first be determined if the loan can be made by the SBA under its regular lending program. If a loan can be made under the Small Business Administration, it will do so. If not, it will have to be processed under ARA lending authority.

Agency's Growth Forecast

There is every indication that the Small Business Administration is going to grow and grow. There is speculation in Washington that one day it will be twice as big an agency as it is today.

The Space Age, probably means a phenomenal growth for SBA. The United States Government is encouraging small business to get into the space program.

A few days ago, Irving Maness, deputy administrator of SBA, told a Senate Subcommittee, that the SBA has initiated a study of technical achievement to determine the role it may take in an effort to help small business concerns.

"Our study is not yet completed," he said. "However, available evidence indicates that the Space Communications Satellite Program will have profound effects, direct and indirect, immediately as well as future, upon small business.

"There is a strong likelihood that the development of the first commercial application of outer-space vehicles will result in the creation of new businesses and the expansion of existing enterprises. We regard it as essential that the interest of all segments of our economy be considered in planning this great new undertaking. It is particularly important that small business be afforded equal opportunities to utilize the facilities which will be made available.

Mr. Maness, in his testimony before the committee, said there is a mistaken notion in some quarters that small business is incapable of unexplored, complex or qualitative undertakings like the space communications satellite program.

There is no field, no undertaking, no new or previously unexplored area too involved or too complex for participation by qualified small concerns, he said. He went ahead to point out that insofar as technical competence is concerned many small firms can compete on an equal basis with the industrial giants when afforded the same considerations and opportunities.

The SBA already has as many programs under its jurisdiction as did the old RFC. It is a growing, expanding agency.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

COMING EVENTS

IN INVESTMENT FIELD

Aug. 17 & 18, 1961 (Denver, Colo.)
Bond Club of Denver annual summer frolic and golf tournament (dinner at the Petroleum Club, Aug. 17; golf, lunch and dinner at the Columbine Country Club Aug. 18).

Sept. 7-8, 1961 (Chicago, Ill.)
Municipal Bond Club of Chicago 25th Annual Field Day (Chicago Waterways Cruise, Sept. 7; Field Day Sept. 8th at Elmhurst Country Club).

Sept. 8, 1961 (Cleveland, Ohio)
Northern Ohio Group of Investment Bankers Association meeting.

Sept. 13, 1961 (Denver, Colo.)
Rocky Mountain Group Investment Bankers Association meeting.

Sept. 13, 1961 (New York City)
George E. Rieber Testimonial Dinner in the main ballroom of the Waldorf-Astoria.

Sept. 14-15, 1961 (Cincinnati, Ohio)
Cincinnati Municipal Dealers Group annual fall outing at Queen City Club and Kenwood Country Club.

Sept. 15-17, 1961
Pacific Northwest Group of Investment Bankers Association, meeting at Hayden Lake, Idaho.

Sept. 20-21, 1961 (Omaha, Neb.)
Nebraska Investment Bankers' Association annual field day.

Sept. 21-22 (Atlanta, Ga.)
Georgia Security Dealers Association annual summer outing.

Sept. 27, 1961 (New York City)
Association of Customers Brokers annual dinner at the Waldorf Astoria.

Sept. 29, 1961 (Philadelphia, Pa.)
Bond Club of Philadelphia 36th annual field day at the Philmont Country Club, Philmont, Pa.

Oct. 4, 1961 (New York City)
New York Group of Investment Bankers Association meeting.

Oct. 7, 1961 (New York City)
Security Traders Association of New York annual dinner dance at Hotel Commodore.

Oct. 9-10, 1961 (Denver, Colo.)
Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace Hotel.

Oct. 9-12, 1961 (Rochester, N. Y.)
National Association of Bank Women Annual Convention at the Sheraton Hotel.

Oct. 10, 1961 (Toronto)
Canadian Group of Investment Bankers Association meeting.

Oct. 13, 1961 (Montreal, Canada)
Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.)
Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.)
American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.)
National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Oct. 17, 1961 (Detroit, Mich.)
Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania)
Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee, Wis.)
National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul)
Minnesota Group of Investment Bankers Association annual meeting.

Oct. 26, 1961 (Louisville, Ky.)
Ohio Valley Group of Investment Bankers Association annual meeting.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.)
Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City)
National Association of Mutual Savings Banks 15th annual midyear meeting.

April 8-10, 1962 (San Antonio, Tex.)
Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.)
National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.